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9

10 UNITED STATES BANKRUPTCY COURT
11 DISTRICT OF NEVADA
12 LAS VEGAS DIVISION

13
14 In re
15 CAREFREE WILLOWS, LLC, a Nevada
limited liability company,
16 Debtor.

CASE NO. BK-S-10-29932-MKN
Chapter 11
[Chapter 11 Filed: October 22, 2010]
[Trustee Appointed: October 26, 2015]

**CHAPTER 11 TRUSTEE'S PROPOSED
PLAN OF REORGANIZATION**

Hearing On Motion:
Date: March 17, 2016
Time: 1:30 p.m.
Place: Courtroom 2
Foley Federal Building
300 Las Vegas Blvd. South
Las Vegas, Nevada

Plan Confirmation Hearing:
Date: March 31, 2016
Time: 9:30 a.m.
Place: Courtroom 2
Foley Federal Building
300 Las Vegas Blvd. South
Las Vegas, Nevada

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1 Samuel R. Maizel, the Chapter 11 Trustee (the “Trustee”) for Carefree Willows, LLC, a
2 Nevada limited liability company (“Debtor”), files this proposed Chapter 11 Plan, the purpose of
3 which is to resolve all Claims filed against the Debtor.

4 The proposed Plan provides for payment in full of all administrative expenses and
5 unsecured claims, and with respect to the Secured Creditor AG, payment in accordance with this
6 Cure Plan and Section 1123(a)(5)(G) of the Bankruptcy Code.

7 In accordance with an agreement between the major parties-in-interest, and with the
8 concurrence of the Bankruptcy Court, there is no Disclosure Statement so that the parties can
9 proceed directly to a hearing on confirmation of this proposed Plan. However, the Trustee will be
10 filing a motion in support of confirmation and as to the adequacy of information required under
11 the Bankruptcy Code.

12 **I.**
13 **Background**

14 **A. Procedural Background**

15 The Debtor filed a Voluntary Petition under Chapter 11 of the United States Bankruptcy
16 Code on October 22, 2010.

17 After nearly five years of highly contentious disputes and litigation,¹ primarily between the
18 Debtor and Secured Creditor AG/ICC Willows Loan Owner, LLC (“AG”), which included the
19 Debtor proposing five (5) Plans of Reorganization and AG proposing two Plans, Samuel R.
20 Maizel was appointed the Chapter 11 Trustee on October 26, 2015.

21 **B. Description of Debtor’s Business and Operations**

22 As noted, the Debtor is a limited liability company. The members are: Carefree Holdings
23 Limited Partnership, Willows Investment Group, LLC, and in an undetermined amount: Willows
24 Account LLC. Carefree Holdings Limited Partnership is the managing member of the Debtor.
25
26

27 ¹ The litigious history of this case is well explained in this Court’s Memorandum Of Decision on
28 the Debtor’s Fourth Amended Plan of Reorganization [Docket 1448].

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1 Kenneth L. Templeton² is the manager of MLPGP, L.L.C., which is the general partner of
2 Carefree Holdings Limited Partnership. Kenneth L. Templeton is the manager of Willows
3 Investment Group, LLC.

4 The Debtor’s primary asset is improved real property consisting of approximately 11 acres
5 located at 3250 S. Town Center Drive, Las Vegas, Nevada, also known as Clark County
6 Assessor’s Parcel Number 164-12-810-003 (the “Las Vegas Real Estate”). The Las Vegas Real
7 Estate has improvements consisting of almost new, high quality, two and three-story wood
8 frame/stucco buildings with 300 apartment units, which is referred to as “Carefree Willows Senior
9 Apartments,” which are leased to seniors (the Las Vegas Real Estate and improvements shall be
10 referred to as the “Property”). The Property is at or near full occupancy (ninety-seven percent as
11 of January 13, 2016).

12 The Las Vegas Real Estate was purchased by Carefree Holdings Limited Partnership in
13 1995. In March 2006, the Las Vegas Real Estate was transferred to Carefree Willows, LLC, at
14 which time construction commenced. The construction was financed through a Construction Loan
15 Agreement between the Debtor and Union Bank of California, N.A. (“Union Bank”) in the amount
16 of \$32,300,000 (the “Construction Loan”), as well as cash from Carefree Holdings Limited
17 Partnership. The apartments and related improvements were completed by March, 2008.

18 In 2009, Union Bank agreed to extend the maturity of the Construction Loan to March,
19 2011.

20 In approximately July, 2010, Union Bank demanded a \$15,000,000 pay down to satisfy the
21 loan documents’ required loan to value ratios. The parties were unable to reach a mutually
22 satisfactory resolution of that issue. On August 9, 2010, a Notice Of Default And Election To Sell
23 Under Deed Of Trust was recorded. On September 17, 2010, Union Bank filed a complaint in
24 Eighth Judicial District Court of Nevada seeking the appointment of a receiver for the Property.

25
26 ² The Trustee is informed that Kenneth L. Templeton is the founder and a full or partial owner of
27 the Ken Templeton Companies, a diversified group of companies that includes Templeton
28 Development Corporation, Carefree Senior Living entities, Ken Templeton Realty And
Investment, Inc., and Templeton Gaming Corporation.

1 1. The Debtor's Assets and Liabilities

2 As set forth in the Debtor's Schedules, at the time the Voluntary Petition was filed, the
3 Debtor valued its assets in the approximate amount of \$30,000,000, consisting primarily of the
4 Property. However, as a result of recent appraisals performed in 2015, one by CBRE Valuation
5 And Advisory Services³ and a second by Anderson Valuation Group, the Property has a *present*
6 fair market value of between \$46,500,000 and \$47,785,000.

7 In addition to the Property, the Debtor's other assets consist of the furniture, fixtures and
8 equipment used to operate the Carefree Willows Senior Apartments. These items of personal
9 property are included in the value of the Property. The Debtor also owns a 32 passenger bus used
10 to transport residents of the Carefree Willows Senior Apartments.

11 2. Generation of Income

12 In the last three years, the Property has generated the following revenue and incurred the
13 following expenses:

14 **Carefree Willows, LLC**
15 **Summary of Net Cash Receipts and Net Income**
16 **For the Period of January 1, 2013 through December 31, 2015⁴**

	2013	2014	2015	Total
Total Receipts	3,842,650	3,959,605	4,276,511	12,078,766
Total Disbursements				
Operational Expenses	1,698,174	1,907,085	1,816,038	5,421,297
Debt Service (\$25.5MM at 5.25% = \$152,142.54/month)	1,825,710	1,825,710	1,825,710	5,477,131
Excess (Deficiency) of Cash	318,766	226,810	634,763	1,180,338
Additional Adequate Protection Payments	244,420	247,295	666,177	1,157,891
Total Revenues	3,837,081	3,935,529	4,244,246	12,016,856
Total Expenses (Includes Depreciation)	4,974,027	5,051,672	5,562,347	15,588,046

24 ³ An earlier Appraisal prepared by CBRE Valuation And Advisory Services, as of July 2, 2014,
valued the Property at \$45,300,000 (and prospectively at \$45,500,000, as of January 2, 2015).

25 ⁴ The Adequate Protection Payments represent the turnover to AG of substantially all excess cash
26 on a monthly basis, and do not represent traditional debt service. The Trustee has prepared a pro
27 forma allocation of the Adequate Protection Payments between Debt Service and Additional
Adequate Protection Payments. Debt Service is set at the projected debt service under the
28 proposed loan from Western Alliance Bank. Additional Adequate Protection Payments are set at
the difference between the actual Adequate Protection Payments and the Debt Service.

	2013	2014	2015	Total
1 Net Income (Loss)	(1,136,946)	(1,116,143)	(1,318,101)	(3,571,190)
2 Non-cash - Depreciation	1,272,000	1,204,540	1,199,208	3,675,748
3 Restructuring				
4 Adequate Protection Payments (Additional Payments)	244,420	247,295	666,177	1,157,891
5 Professional Fees	3,325	11,025	3,000	17,350
6 UST Quarterly Fees	19,500	24,375	23,075	66,950
7 Total Restructuring	267,245	282,695	692,252	1,242,191
8 Adjusted Net Income for Restructuring Changes	(869,701)	(833,448)	(625,849)	(2,328,999)
9 Adjusted Net Income for Non-cash & Restructuring	402,299	371,092	575,359	1,346,749

10 As already noted, the Property has been at or near capacity occupancy.

11 The Debtor's 32 passenger bus has an approximate value of \$25,000/\$30,000, in which
12 AG holds (or held) a security interest.

13 3. Cash Collateral

14 The Debtor and AG have entered into three cash collateral Stipulations, the last one of
15 which resulted in an Order entered on February 8, 2011. [Docket 128]. Pursuant to that
16 Stipulation and Order, \$75,000 per month is paid to AG and all funds on hand each month over
17 \$125,000 are paid to AG. As of December 31, 2015, the total amount paid to AG is
18 \$10,858,815.22 since the commencement of the case.

19 As set forth in this Plan, the Trustee proposes to apply those payments to the Debtor's
20 obligations to AG's Secured Claim, as of the date those payments were made, as part of a "cure
21 plan." An itemization of those payments is attached as **Exhibit "A."**

22 4. Claims

23 Apart from the Administrative Claims, the Claims in this case are as follows:

- 24 • The AG Secured Claim, on which the Trustee asserts that the amount that should be
25 paid to AG in accordance with this Cure Plan is, as of December 31, 2015:
26 approximately \$34,218,467.91, consisting of the full principal balance due on the AG
27 Note; non-default, non-compounding interest; application of \$10,933,815.22 of

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adequate protection payments; and AG’s claimed attorneys’ fees and costs of \$4,600,000.⁵ The amount due AG must be extended⁶ to the Effective Date.

- The AG Bus Claim, on which there is a dispute as to whether any amount remains due AG.
- The General Unsecured Claims, of eight (8) creditors, totaling approximately \$220,000.
- The Membership Interests of the Debtor.

**II.
Definitions**

1. **“Adequate Protection Payments”** are those payments delivered by the Debtor and the Trustee to AG in accordance with three Stipulations and Orders entered by the Bankruptcy Court [Docket Nos. 34, 48 and 128].

2. **“Administrative Claim”** means a Claim for administrative costs or expenses that is allowable under Bankruptcy Code section 503(b). These costs or expenses are categorized to include Estate Professional Fee Claims and any and all fees due the U.S. Trustee.

3. **“AG”** shall mean AG/ICC Loan Owner, LLC.

4. **“AG Bus Claim”** is the amount due, if any, on the AG Bus Note.

5. **“AG Bus Note”** is the Note originally executed in favor of Service 1st Bank of Nevada, which Note was secured with the Debtor’s 32 passenger bus, in accordance with a Commercial Security Agreement, which obligations were assigned to AG on or about February 16, 2011.

6. **“AG Deed Of Trust”** shall mean the Deed Of Trust, Assignment Of Rents, Security Agreement And Fixture Filing (Construction Trust Deed, as modified by the

⁵ The amount of AG’s claimed attorneys fees and costs includes approximately \$1,000,000 for interest. The reasonable amount of AG’s claimed attorneys’ fees and costs are subject to review and possible Objection by the Trustee and other parties in interest.

⁶ The identical method used to calculate the amount due on AG’s Secured Claim through December 31, 2015, shall be used to calculate the amount due on AG’s Secured Claim through the Effective Date.

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1 Modification Agreement (Long Form) and Modification Agreement (Short Form), securing the
2 AG Note wherein Debtor is trustor, Union Bank of California, N.A., was original beneficiary, and
3 Union Bancal Mortgage Corporation was the original trustee. The Deed of Trust was recorded as
4 Document No. 200603090004028 in the Official Record of the Clark County Recorder on March
5 9, 2006 and the Modification Agreement (Short Form) was recorded as Document No.
6 200906050003900, also in Clark County on June 5, 2009. The original beneficiary’s interest in
7 the Deed of Trust was assigned to AG.

8 7. “**AG Note**” shall mean the Promissory Note Secured By Deed Of Trust, dated
9 December 16, 2005, having an original principal balance of \$32,300,000.00, as amended and
10 restated by the Amended And Restated Promissory Note Secured By Deed of Trust, dated March
11 10, 2009 in the amount of \$32,286,649.93, and to which the Debtor is an obligor, and Union Bank
12 of California, N.A., was the original payee. The original payee’s interest in the AG Note was
13 assigned to AG.

14 8. “**AG Secured Claim**” is the amount due AG in connection with the AG Note, the
15 AG Construction Loan Agreement and the AG Deed of Trust.

16 9. “**Allowed**” refers to a Claim that has been allowed, including Allowed
17 Administrative Claims and Allowed Claims defined hereinbelow.

18 10. “**Allowed Administrative Claim**” means an Administrative Claim that has been
19 allowed pursuant to a Final Order of the Bankruptcy Court.

20 11. “**Allowed Claim**” means a Claim, other than an Administrative Claim, to the extent
21 that either: (1) in the case of a scheduled Claim, the Claim is not disputed; or (2) in the case of a
22 filed Claim, the Claim is not disputed, or the Claim is allowed either by a Final Order or in
23 accordance with this Plan.

24 12. “**Allowed Estate Professional Fee Claim**” means an Estate Professional Fee
25 Claim that has been allowed pursuant to a Final Order of the Bankruptcy Court.

26 13. “**Allowed General Unsecured Claims**” are the eight general unsecured claims
27 filed against the Debtor, all of which are allowed and all of which will be paid.

28 14. “**Bankruptcy Code**” means Title 11 of the United States Code, 11 U.S.C.

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1 15. “**Bankruptcy Court**” means the United States Bankruptcy Court for the District of
2 Nevada, Las Vegas Division.

3 16. “**Bankruptcy Rules**” means the Federal Rules Of Bankruptcy Procedure.

4 17. “**Business Day**” means a day that is not a Saturday, Sunday, or legal holiday.

5 18. “**Case**” means the voluntary bankruptcy case of Carefree Willows, LLC, that is
6 pending in this Court under chapter 11 of the Bankruptcy Code.

7 19. “**Case Closure Date**” means the date on which a final decree closing the Case is
8 entered, which date shall continue to constitute the Case Closure Date irrespective of whether an
9 amended final decree is entered following the reopening of the Case for any reason; provided,
10 however, that, if the Bankruptcy Court determines that entry of the first final decree was in error,
11 the Case Closure Date shall be the date on which the Bankruptcy Court thereafter enters a final
12 decree or the Bankruptcy Court otherwise determines to be the Case Closure Date for purposes of
13 this Plan.

14 20. “**Claim**” means a claim, as that term is defined in Bankruptcy Code section 101(5),
15 against Carefree Willows.

16 21. “**Claim Objection**” means any right to object to, obtain the disallowance of, or
17 obtain the subordination of a Claim pursuant to the Bankruptcy Code or applicable law.

18 22. “**Claimant**” means one who asserts a Claim against the Estate.

19 23. “**Claims Fund**” shall mean the money to be held by the Trustee in a trust account,
20 funded by Carefree Holdings Limited Partnership, transferred from the Joint Account, totaling up
21 to \$18,500,000, as determined by the Bankruptcy Court.

22 24. “**Claims Funding Date**” is the date eighteen (18) calendar days after the
23 Confirmation Date.

24 25. “**Claims Objections Deadline**” is the date sixty (60) calendar days after the
25 Confirmation Date.

26 26. “**Class**” means a group of Claims or Interests as classified in this Plan.
27
28

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1 27. “**Commitment Letter**” means the Letters attached as Exhibit “D,” pursuant to
2 which Western Alliance Bank will provide a net amount of up to approximately \$25,155,000 to
3 fund this Plan.

4 28. “**Confirmation Date**” means the date on which the Bankruptcy Court enters the
5 Confirmation Order on its Docket.

6 29. “**Confirmation Hearing**” means the hearing regarding Plan confirmation.

7 30. “**Confirmation Hearing Date**” means the first date on which the Bankruptcy
8 Court holds the Confirmation Hearing.

9 31. “**Confirmation Order**” means the Bankruptcy Court Order confirming this Plan in
10 accordance with Bankruptcy Code section 1129.

11 32. “**Construction Loan**” is the loan provided by Union Bank to the Debtor which was
12 not paid upon maturity, acquired by AG.

13 33. “**Construction Loan Agreement**” shall mean the Construction Loan Agreement
14 dated December 16, 2006, the Amendment To Construction Loan Agreement, dated November,
15 2006, and the Modification Agreement (Long Form) dated March 10, 2009, each of which was
16 executed by Union Bank and the Debtor, and which were assigned to AG.

17 34. “**Cure Amount**” shall mean the amount required to cure and satisfy the amount
18 due AG, as determined by the Bankruptcy Court.

19 35. “**Cure Plan**” means a Plan that cures and satisfies obligations of creditors as
20 defined by Section 1123(a)(5)(G) of the Bankruptcy Code, and interpreted by the Ninth Circuit in
21 *Great Western Bank & Trust v. Entz-White Lumber And Supply, Inc. (In re Entz-White Lumber*
22 *And Supply, Inc.)*, 850 F.2d 1338 (9th Cir. 1988) and its progeny.

23 36. “**Debtor**” means Carefree Willows, LLC.

24 37. “**Disputed Claim**” means a Claim:

- 25 (a) As to which a Proof Of Claim is filed or is deemed filed under Bankruptcy
26 Rule 3003(b)(1), and a Claims Objection has been timely filed which has
27 neither been overruled nor denied by a Final Order, and has not been
28 withdrawn; and

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1 (b) Not including the AG Secured Claim, which is to be paid the Cure Amount
2 as determined by the Bankruptcy Court.

3 38. “**Disputed Claims Reserve**” will be the amount in the Claims Fund necessary to
4 pay all Disputed Claims, including but not necessarily limited to the amounts necessary to pay
5 AG’s attorney’s fees and costs if an objection to those fees and costs is filed; and, AG’s Bus
6 Claim.

7 39. “**Escrow Account**” shall be an escrow opened at First American Title in Las
8 Vegas; into which escrow account Western Alliance Bank shall deposit the amount of its loan in
9 accordance with the Commitment Letter attached as Exhibit “D,” the borrower will deposit the
10 executed loan documents, and the Trustee will deposit funds from the Claims Fund, all of which
11 funds together are required to pay: (1) the Cure Amount due AG as determined by the Bankruptcy
12 Court; and (2) escrow fees and costs.

13 40. “**Effective Date**” means the date twenty-one (21) calendar days after the
14 Confirmation Date, provided the Confirmation Order has not been stayed.

15 41. “**Estate**” means the estate of the Debtor created upon the filing of the Debtor’s
16 Voluntary Petition.

17 42. “**Estate Professional**” means a professional employed by the Estate in the Case,
18 pursuant to an Order of the Bankruptcy Court.

19 43. “**Estate Professional Fee Claim**” means a Claim under Bankruptcy Code sections
20 327, 328, 330, 331, 503, or 1103 for compensation for professional services rendered or expenses
21 incurred on behalf of the Estate by an Estate Professional during the Postpetition Period, Allowed
22 by the Bankruptcy Court pursuant to Application, but excludes any Claim under either Bankruptcy
23 Code Section 503(b)(4) for compensation for professional services rendered or Bankruptcy Code
24 section 503(b)(3)(D) for expenses incurred in making a substantial contribution to the Estate.

25 44. “**Final Order**” means an Order or Judgment of the Bankruptcy Court entered on
26 the Bankruptcy Court’s official Docket:

27
28

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- 1 (a) That has not been reversed, rescinded, stayed, modified, or amended;
- 2 (b) That is in full force and effect; and
- 3 (c) With respect to which: (1) the time to appeal or to seek review, remand,
- 4 rehearing, or a *writ of certiorari* has expired and as to which no timely filed
- 5 appeal or petition for review, reheating, remand, or *writ of certiorari* is
- 6 pending; or (2) any such an appeal or petition has been dismissed or
- 7 resolved by the highest court to which the order or judgment was appealed
- 8 or from which review, reheating, remand, or a *writ of certiorari* was sought.

9 45. **“Funding Agreement”** is the agreement attached as Exhibit “E,” pursuant to which
 10 \$18,500,000 shall be deposited into a Joint Account under the control of both Carefree Willows
 11 Limited Partnership and the Trustee, and from which up to \$18,500,000 shall be transferred to the
 12 Claims Fund to fund this Plan.

13 46. **“General Unsecured Claim”** means a Claim for which the Claimant holds no
 14 security/collateral for the obligation due the Claimant and does not include Administrative
 15 Expense Claims.

16 47. **“Guarantors”** are Carefree Holdings Limited Partnership, a Nevada Limited
 17 Partnership; The Kenneth L. Templeton Family Trust, dated October 8, 1993, as amended; Ken II
 18 Trust dated May 4, 1988, as amended; and Kenneth L. Templeton.

19 48. **“Insider”** means an insider as defined in Bankruptcy Code section 101(31), of
 20 Carefree Willows.

21 49. **“Joint Account”** is the account of Carefree Holdings Limited Partnership being
 22 opened and funded at City National Bank not later than fifteen days before the Confirmation
 23 Hearing Date, which will require the signatures of (and be jointly controlled by) Carefree
 24 Holdings Limited Partnership and the Trustee for withdrawals, which will consist of cash of not
 25 less than \$18,500,000, in accordance with the Funding Agreement attached as Exhibit “E.” The
 26 Joint Account is a “proof of funds” account only, and is not an asset of the Debtor. As set forth in
 27 this Plan and the Funding Agreement, the Funds in the Joint Account shall be released from the
 28 Joint Account to the Claims Fund so as to be received on or before the Claims Funding Date, at

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1 which time such funds shall be part of the capital contribution to fund this Plan. As set forth in the
2 Funding Agreement, to the extent that interest on such funds increases the balance to greater than
3 \$18,500,000, Carefree Holdings Limited Partnership may withdraw such excess pursuant to the
4 terms of the Funding Agreement.

5 50. **“Membership Interests”** shall refer to the ownership interests in the Debtor. As
6 noted, the Debtor is a limited liability company. The members are: Carefree Holdings Limited
7 Partnership and Willows Investment Group, LLC, and in an undetermined amount: Willows
8 Account LLC⁷. Carefree Holdings Limited Partnership is the managing member.

9 51. **“Petition Filing Date.”** The term shall refer to October 22, 2010, the date on
10 which Debtor filed its voluntary petition commencing the above-captioned Chapter 11 case.

11 52. **“Plan”** means this Trustee’s Plan Of Reorganization.

12 53. **“Post Confirmation.”** This term shall mean the period of time after the Effective
13 Date.

14 54. **“Post-Petition.”** This term shall mean the period of time following the Petition
15 Filing Date.

16 55. **“Postpetition Period”** means the period beginning on the Petition Date and ending
17 on the Effective Date.

18 56. **“Pre-Petition.”** This term shall mean the period of time preceding the Petition
19 Filing Date.

20 57. **“Priority Claim”** means a Claim entitled to priority against the Estate under
21 Bankruptcy Code section 507(a)(3), 507(a)(4), 507(a)(6) or 507(a)(8).

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24

25 ⁷ Willows Account LLC had a claim against the Debtor in the amount of approximately \$4.65
26 million. However, after litigation (see Docket Nos. 623, 713, and 763) the Court determined that
27 claim would be recharacterized as equity, see Docket Nos. 1063 & 1064 (the “AG
28 Recharacterization Order”). Willows Account LLC appealed the AG Recharacterization Order
(Docket No. 1085), but no stay pending appeal was granted (Docket No. 1174). Willows Account
LLC’s alleged right is therefore treated herein as a membership interest, and not as a Claim.

1 58. "Secured Claim" means a Claim that is secured by a valid and unavoidable lien
2 against property in which the Estate has an interest or that is subject to setoff under Bankruptcy
3 Code section 553.

4 59. "U.S. Trustee" means the Office of the United States Trustee.

5
6 **III.**
Rules of Interpretation

7 1. The rules of construction in Bankruptcy Code section 102 apply to this Plan.

8 2. Except as otherwise provided in this Plan, Bankruptcy Rule 9006(a) applies when
9 computing any time period under this Plan.

10 3. A term that is used in this Plan and that is not defined in this Plan has the meaning
11 attributed to that term, if any, in the Bankruptcy Code or the Bankruptcy Rules.

12 4. Whenever it is appropriate from the context, each term, whether stated in the
13 singular or the plural, includes both the singular and the plural.

14 5. Any reference to a document or instrument being in a particular form or on
15 particular terms means that the document or instrument will be substantially in that form or on
16 those terms. No material change to the form or terms may be made after the Confirmation Date
17 without the consent of any party materially affected.

18 6. Any reference to an existing document means the document as it has been, or may
19 be, amended or supplemented.

20 7. Unless otherwise indicated, the phrase "under the Plan" and similar words or
21 phrases refer to this Plan in its entirety rather than to only a portion of this Plan.

22 8. Unless otherwise specified, all references to Sections or Exhibits are references to
23 this Plan's Sections or Exhibits.

24 9. Section captions and headings are used only as convenient references and do not
25 affect this Plan's meaning.

26 10. Any date that falls on a Saturday, Sunday or holiday, shall be continued to the next
27 Business Day.

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IV.
Plan Overview

The Plan is a “Cure Plan” as that term is utilized and defined by Section 1123(a)(5)(G) of the Bankruptcy Code, and interpreted by the Ninth Circuit in *Great Western Bank & Trust v. Entz-White Lumber And Supply, Inc. (In re Entz-White Lumber And Supply, Inc.)*, 850 F.2d 1338 (9th Cir. 1988) and its progeny.

The Plan’s objective is to: (1) pay all Allowed Administrative Claims, in full; (2) pay to AG the Cure Amount the Bankruptcy Court determines must be paid on AG’s Secured Claim, provided the amount funded by Western Alliance Bank and Carefree Willows Limited Partnership are sufficient to do so, which Cure Amount the Trustee asserts should be the full principal amount due on the AG Secured Claim, all non-default non-compounding interest, and AG’s Allowed attorneys’ fees and costs, less the application of the Adequate Protection Payments; (3) pay in full satisfaction of the AG Bus Claim the full amount due, *if any*; (4) pay all Allowed General Unsecured Claims in full, with interest; and (5) allow the Membership Interests to retain their ownership interest in the Debtor in view of the fact that all Claims are to be paid in full.

The Trustee intends on entering into a Stipulation with AG, and any other parties-in-interest as appropriate, stipulating to such issues as this Court must resolve in connection with the Plan confirmation, including but not necessarily limited to the following issues that must be resolved in order to confirm this Plan (and a briefing schedule on those issues):

- Resolution of the rate used to calculate interest, whether five percent (5%), or five percent (5%) subsequently increased to six percent (6%). The Trustee asserts the rate that should be used is five percent (5%) as to this Cure Plan.
- Resolution of the manner in which regular interest is calculated on AG’s Secured Claim, specifically as to whether interest is calculated on the basis of simple non-compounding interest or interest is compounded monthly. The Trustee asserts interest should be calculated on the basis of simple non-compounding interest as to this Cure Plan.

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- 1 • Resolution of whether or not AG is entitled receive default interest as part of the AG
- 2 Secured Claim. The Trustee asserts that AG is not entitled to receive payment of
- 3 default interest as to this Cure Plan.
- 4 • Resolution of whether the Adequate Protection Payments paid by the Debtor and the
- 5 Trustee to AG can be applied to the obligations of the Debtor on the AG Secured
- 6 Claim, in connection with this Plan. The Trustee asserts that the Adequate Protection
- 7 Payments should be applied to the amount due AG as of the dates the payments were
- 8 received, first to interest, then principal, as to this Cure Plan.
- 9 • Resolution of whether AG’s Deed of Trust must be released upon confirmation of the
- 10 Plan, regardless of whether AG’s claims against the Guarantors are unresolved. This
- 11 Plan is premised upon AG’s Deed of Trust being released against the Property, but
- 12 AG’s rights to pursue the Guarantors, and any and all defenses of the Guarantors,
- 13 being preserved.

14 In addition, following confirmation of this Plan, two additional issues must be resolved and
15 Claims paid upon resolution of the amount due on those Claims, from the Disputed Claims
16 Reserve:

- 17 • Resolution of the amount of reasonable attorneys’ fees and costs claimed due AG in
- 18 connection with the AG Secured Claim; and
- 19 • Resolution of the amount due AG on the AG Bus Claim, *if any*.

20 V.
Classification and Treatment of Claims and Interest

22 **A. Introduction**

23 As required by the Bankruptcy Code, this Plan classifies Claims in various classes
24 according to their rights to priority of payments as provided in the Bankruptcy Code.

25 In this Plan, each Class of Claims is unimpaired, therefore, no vote is required by any
26 Class of Claim. This Plan explains the treatment that each Class of Claims will receive under this
27 Plan and the Trustee’s estimate of the amount of Allowed Claims.

28

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1 **B. General Overview on Classification and Payment of Claims**

2 The AG Secured Claim shall be paid the Cure Amount of its Claim as determined by the
3 Bankruptcy Court. The Trustee asserts the Cure Amount should be approximately \$34,218,467.91
4 as of December 31, 2015 [including the full principal amount due on the AG Note, use of non-
5 compounding contract interest as set forth in the AG Note, no default interest, application of
6 \$10,933,815.22 in Adequate Protection Payments previously paid to AG through 12/31/15, and
7 AG's claimed attorneys' fees and costs estimated to be approximately \$4,600,000, if all such
8 claimed attorneys' fees and costs of AG are Allowed (the amount of which fees and costs are
9 subject to review and possible Objection]. The amount due AG must be extended to the Effective
10 Date.

11 The AG Bus Claim shall be paid in full, if the Court determines any amount is due.

12 The Allowed General Unsecured Claims shall be paid in full, with interest at the Federal
13 Judgment Rate, estimated to be approximately \$220,000 (total principal and interest), calculating
14 the amount extended to the Effective Date.

15 The Membership Interests shall retain their ownership of the Debtor.

16 **C. Source of Funds**

17 The Plan shall be funded by a loan from Western Alliance Bank in the amount not to
18 exceed approximately \$25,155,000 of *net* loan proceeds (after loan fees and lender charges), and
19 \$18,500,000 which shall be provided as additional capital contributions to the Trustee from
20 Carefree Holdings Limited Partnership, both as explained in more detail in Section VIII of this
21 Plan.

22 If the Bankruptcy Court determines that the amount required to fund this Plan exceeds
23 \$43,655,000, then the Trustee believes the Plan cannot proceed.

24 **VI.**
25 **Payments To Creditors**

26 The proposed payments to Creditors under this Plan shall be as follows:
27
28

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1 **A. Administrative Expenses**

2 1. Description Of Claims

3 An Administrative Claim is a Claim for costs or expenses of administering the Debtor's
4 Chapter 11 Case which are allowed under Bankruptcy Code section 507(a)(1).

5 2. Treatment Of Claims

6 The Code requires that all Administrative Claims be paid on the Effective Date of the Plan
7 unless a particular Claimant agrees to a different treatment.

8 (a) Estate Professional Fee Claims To Be Paid.

9 In this case, the Claimants holding Estate Professional Fee Claims shall file their Final
10 Applications for fees and expenses for all work performed through the Effective Date within
11 thirty (30) days after the Effective Date, which means a hearing will occur post-Effective Date.

12 Objections must be filed on or before the Claims Objections Deadline (which is thirty (30)
13 days after the Applications for Estate Professional Fee Claims are filed which are due within thirty
14 days of the Effective Date).

15 All Estate Professional Fee Claims are subject to Court approval. Only the amount of fees
16 and costs Allowed by the Court will be owed and required to be paid under this Plan.

17 The estimated amount for the Estate Professional Fee Claims for the Trustee and his
18 professionals could be as high as approximately \$1,750,000, depending upon the amount payable
19 to the Trustee.⁸

20 The Estate Professional Fee Claims shall be paid by the Trustee out of the Claims Fund.

21 In summary: each Professional will file and serve, within thirty (30) days after the
22 Effective Date, a Final Fee Application. Objections must be filed on or before the Claims
23 Objection Deadline. Within approximately forty five (45) days thereafter, *subject to the Court's*
24 *calendar and such discovery as may be taken*, if any, the Court shall hold a hearing upon those

25 _____
26 ⁸ The amount of the fees and costs due the Trustee and his professionals is affected by whether the
27 Trustee is paid a percentage under section 326 of the Bankruptcy Code (which is the basis for the
28 amount set forth above), or an hourly rate for his service. *The amount of Estate Professional Fee*
Claims will also be affected by whether the parties can reach any agreements or will litigate
issues.

1 Final Fee Applications. The fees and expenses requested in the Final Fee Applications shall be
2 paid only in such amounts as the Court allows, by the Trustee, out of the Claims Fund.

3 (b) Fees Due U.S. Trustee And Clerk Of The Court.

4 The Debtor has paid timely all quarterly fees due the Office of the United States Trustee.
5 The Trustee has and will continue to pay, when due, all fees due the Office of the United States
6 Trustee, until the Case is closed.

7 The Trustee asserts no fees are due or will be due the Clerk of the Court.

8 **B. Priority Tax Claims and Priority Wage Claims**

9 There are no Priority Claims.

10 **C. Non-Administrative Claims**

11 1. The AG Secured Claim

12 (a) Description of Claim

13 The AG Secured Claim is a Claim that originated with the AG Note and the Construction
14 Loan Agreement provided by Union Bank to the Debtor which were not paid upon maturity. The
15 AG Secured Claim is secured with the AG Deed of Trust recorded against the Property. This loan
16 was acquired by AG on or about November 10, 2010, by way of a Loan Purchase And Sale
17 Agreement.

18 (b) Treatment of Claim

19 The AG Secured Claim shall be allowed, cured and paid in full pursuant to 11 U.S.C.
20 § 1123(a)(5)(G), on the Effective Date, the amount as determined by the Bankruptcy Court. The
21 Trustee asserts the Cure Amount that should be paid AG is as follows:

22 (1) The full principal balance due AG under the AG Note;

23 (2) All accrued interest under the AG Note, at the non-
24 default rate set forth in the AG Note, not compounded, as calculated in **Exhibit "B"**.
25 Interest calculations shall be extended to the Effective Date.

26 (3) All Allowed reasonable attorneys' fees and costs under the
27 AG Note. The Trustee and/or any party-in-interest reserves the right to object to AG's
28 claimed attorneys' fees and costs. Based on information provided by AG, the Trustee is

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1 reserving \$4,600,000 to pay AG’s claimed attorneys’ fees and costs.⁹ A Fee Application
 2 or final Claim as to AG’s claimed attorney’s fees and costs of AG’s counsel shall be filed
 3 on or before thirty (30) days after the Effective Date. Any Objection shall be filed on or
 4 before the Claims Objection Deadline. In the event of such an Objection, the undisputed
 5 portion, if any, shall be paid to AG, and the objectionable balance of attorneys’ fees and
 6 costs shall be maintained by the Trustee as part of the Disputed Claims Reserve, to be
 7 disbursed out of the Disputed Claims Reserve in such amount as Allowed by the
 8 Bankruptcy Court.

9 (4) The Adequate Protection Payments delivered to AG by the
 10 Debtor and the Trustee in accordance with the three Stipulations and Orders ordered by
 11 this Court [Docket Nos. 34, 48 and 128], shall be credited dollar for dollar towards the
 12 cure of the obligation due on AG’s Secured Claim, as determined by the Bankruptcy
 13 Court.

14 In summary: the Cure Amount the Trustee asserts should be awarded to AG on AG’s
 15 Secured Claim is \$34,218,467.91, calculated as follows through December 31, 2015:

16 Principal @ 5/1/10	\$ 31,611,646.93	Union Bank Account Statement
17 Add Interest @ 5%	\$ 8,940,636.20	Chart (see Exhibit “B”)
18 Less Payments	\$ (10,933,815.22)	Chart (see Exhibit “A”)
19 Claimed Attorney Fees & Costs	<u>\$ 4,600,000.00</u>	Claimed
20 Total	<u>\$ 34,218,467.91</u>	Balance Outstanding

21
22 *The amount due AG must be extended to the Effective Date.*

23 The Trustee acknowledges that paying non-compounding non-default interest on the AG
 24 Secured Claim, the interest rate used, crediting the Adequate Protection Payments against the AG
 25 Secured Claim and requiring AG to release its lien in the absence of resolving Guarantor liability,

26
 27 ⁹ The amount reserved for AG’s claimed attorneys fees and costs include approximately
 28 \$1,000,000 for interest at nine percent requested by AG’s counsel.

1 must be resolved by the parties or the Bankruptcy Court before or at the Plan Confirmation
2 Hearing.

3 (c) Release of AG's Deed of Trust

4 As further explained in Section VIII.4 of this Plan, upon payment to AG of the amount
5 determined by the Bankruptcy Court to be paid to AG on the AG Secured Claim, the AG Note
6 shall be deemed paid in full, and the AG Deed Of Trust shall be deemed reconveyed. The
7 Confirmation Order shall include such provisions as are reasonably required by the title company
8 to close escrow as set forth in this Plan.

9 (d) Obligations of Guarantors to AG

10 The Guarantors executed Guaranties in favor of Union Bank, in connection with the AG
11 Note, which Guaranties are now held by AG. AG commenced on March 25, 2011, a lawsuit
12 against the Guarantors in the Eighth Judicial District Court for Clark County, Nevada, as Case
13 No. A-11-637829-C. That lawsuit is stayed, by reason of a Writ of Mandamus issued by the
14 Nevada Supreme Court on February 13, 2013. AG's claims against the Guarantors are also the
15 subject of an Adversary Proceeding filed on June 23, 2014, as Case #14-01105-MKN, which
16 Adversary Proceeding was stayed by an Order of this Court entered on July 18, 2014.

17 This Plan preserves all rights and defenses of AG and the Guarantors. AG shall not be
18 precluded by this Plan from taking such action against the Guarantors, as may be available to AG,
19 to collect all obligations that AG asserts are due from the Guarantors, and the Guarantors are not
20 precluded from asserting any and all defenses to which they are entitled.

21 2. The AG Bus Claim

22 The AG Bus Claim is a Claim that originated with a Promissory Note, Business Loan
23 Agreement and Commercial Security Agreement, among other documents, executed by the Debtor
24 in favor of Service First Bank of Nevada, in the amount of \$88,726.00, secured by the Debtor's 32
25 passenger bus. This loan was acquired by AG on or about February 15, 2011, by way of a
26 Purchase And Assignment Agreement.

27 The principals of the Debtor assert no obligation is due on the AG Bus Claim, because they
28 assert that all payments were timely delivered, allegedly as set forth on attached **Exhibit "C."**

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1 AG asserts there is an amount due on the AG Bus Claim.

2 The amount of \$50,000¹⁰ shall be part of the Disputed Claims Reserve in the Claims Fund,
 3 to be paid upon resolution of the amount of that Claim.

4 3. General Unsecured Claims

5 (a) Description of Claims

6 There are eight General Unsecured Claims, as follows:

	<u>Claim Amount</u>
8 (1) Carefree Natomas Limited Partnership	\$2,619.00
9 (2) Templeton Development Corp.	\$768.00
10 (3) Marquis and Aurbach	\$553.00
11 (4) Pause 1, LLC	\$150,000.00
12 (5) Anthony Khotsikian	\$4,458.00
13 (6) Nevada Contract Carpet	\$852.00
14 (7) Touchdown	\$201.00
15 (8) Total Safety, Inc.	<u>\$165.00</u>
16 Total:	\$159,616.00

15 (b) Treatment of Claims

16 On the Effective Date, the Allowed General Unsecured Claims shall be paid in full,
 17 together with interest accrued post-petition at the Federal Judgment Rate applicable on the
 18 Effective Date. The total amount due those Claimants -- with interest at the Federal Judgment
 19 Rate -- is estimated to be approximately \$220,000. The amount due will be extended to the
 20 Effective Date.

21 4. Membership Interests

22 As set forth in Section I.A. of this Plan, there are three parties who have a Membership
 23 Interest in the Debtor: Carefree Holdings Limited Partnership, Willows Investment Group, LLC,
 24 and in an undetermined amount: Willows Account LLC.¹¹

26 ¹⁰ AG has indicated no amount needs to be reserved for this claim. In an abundance of caution,
 the Trustee reserves \$50,000.

27 ¹¹ The parties will retain whatever membership interests they have. The Trustee takes no position
 28 with regard to whether Willows Account LLC has a true membership interest or merely a claim

{footnote continued}

1 The Membership Interests shall retain their Membership Interests in the Debtor in view of
 2 the fact that all Claims shall be paid in full.

3 **VII.**
 4 **Executory Contracts**

5 The Debtor assumes the following executory contracts and/or unexpired leases with the
 6 following parties:

7 All Tenant Leases

8 Services Contracts

Purpose

9 Blue & Green Services, LLC	Landscape maintenance
10 Global Pest Services, LLC	Pest Control
11 TSI Safety Incorporated	Fire Alarm Monitoring, Alarm Monitoring
12 Ikon Financial Services	Office machine Lease
Certified Fire Protection, Inc.	Fire System Maintenance
13 COX Communications	Phone service and Internet access
14 Answer Plus, Inc.	Phone answering Service
ThyssenKrupp Elevator	Elevator maintenance
15 Touchtown	TV System Maintenance
16 Ken Templeton Realty & Investment, Inc.	Management Contract
17 All licensing rights to use the name "Carefree Senior Living" and "Carefree Willows."	

19 There are no cure amounts to be paid on the Executory Contracts being assumed because
 20 payments are current.

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27 that is to be paid as if a membership interest, but herein assumes the former and leaves to the
 28 members of the Debtor the final determination of what, if any, percentage ownership is held by
 Willows Account LLC.

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VIII.
Means of Implementing and Funding the Plan

A. New Financing

Carefree Holdings Limited Partnership is the majority owner of Carefree Willows LLC. Carefree Holdings Limited Partnership has arranged for Western Alliance Bank to fund the Plan with a loan yielding net proceeds of an amount up to approximately \$25,155,000.

Carefree Holdings Limited Partnership has arranged for additional capital contribution of \$18,500,000 to fund the Plan.

By reason of the loan from Western Alliance Bank yielding net proceeds of as much as approximately \$25,155,000, and the additional amount of \$18,500,000 funded by Carefree Holdings Limited Partnership, there will be as much as approximately \$43,655,000 available to fund this Plan.

If \$43,655,000 is sufficient to fund this Plan, the Plan can be confirmed. If \$43,655,000 is not sufficient to fund the Plan, the Plan will not be confirmed.

1. New Loan

Western Alliance Bank has issued a Commitment Letter for a new loan, attached as **Exhibit "D"**. The Commitment Letter confirms that a new loan will be funded not later than the Claims Funding Date. The Commitment Letter requires that the Effective Date be no later than April 29, 2016, or the lender has no further obligation with respect to funding the new loan.

Final loan documents for the new loan will be completed¹² not later than 15 days before the Confirmation Hearing.

The Trustee shall provide a copy of the loan documents to AG (and any other creditor requesting such proof), within one business day of the loan documents being completed¹², or as soon as reasonably possible thereafter. Regardless of the deadline to file an objection to Plan confirmation, any creditor -- including AG -- shall have the right to object, or further object, to

¹² The loan documents will be completed, except for signatures, dates and dollar amounts, which will be supplied prior to execution, and which will be determined consistent with the Court's ruling on Plan confirmation.

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1 confirmation of this Plan in the event the loan documents are not completed¹² before the date
2 specified herein.

3 As set forth in this Plan: Western Alliance Bank shall deposit the net proceeds of the
4 Loan, up to approximately \$25,155,000, into the Escrow Account on or before the Claims Funding
5 Date, as explained in this Plan.

6 2. Joint Account

7 As set forth in the Funding Agreement, Carefree Holdings Limited Partnership is opening
8 the Joint Account at City National Bank, which, when funded, will hold not less than \$18,500,000
9 in cash, which \$18,500,000 shall be transferred into the Claims Fund on the Claims Funding Date.
10 Carefree Holdings Limited Partnership and the Trustee have executed the Funding Agreement,
11 with respect to such funds, a copy of which is attached as Exhibit "E."

12 Provided all conditions precedent under the Funding Agreement have been satisfied, then
13 no later than fifteen (15) calendar days prior to the Confirmation Hearing Date, Carefree Holdings
14 Limited Partnership shall deposit the \$18,500,000 into the Joint Account. The Trustee shall
15 provide proof of this deposit into the Joint Account having been made to AG (and any other
16 creditor requesting such proof) within one business day of the deposit having been made or as
17 soon as reasonably possible. Regardless of the deadline to file an objection to Plan confirmation,
18 any creditor -- including AG -- shall have the right to object, or further object, to confirmation of
19 this Plan in the event this deposit is not made on or before the date it is due to be made under the
20 Funding Agreement.

21 As set forth in this Plan: The Trustee shall deliver from the Claims Fund to the Escrow
22 Account on the Claims Funding Date the amount necessary to close escrow, when taking into
23 account the amount deposited into the Escrow Account, by Western Alliance Bank, and the
24 amount required to pay escrow costs and title fees.¹³

25
26
27
28 ¹³ The amount of escrow costs and title fees shall be provided at the confirmation hearing.

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1 3. Escrow Account

2 Western Alliance Bank shall fund up to \$25,155,000 in net proceeds of the new loan by
3 placing such funds into the Escrow Account on or before the Claims Funding Date.

4 The Trustee shall deposit into the Escrow Account such amounts from the Claims Fund as
5 are necessary to close escrow so as to satisfy the remaining balance of the obligation to AG
6 determined by the Bankruptcy Court (but not including the amount necessary to pay AG's
7 attorneys fees and costs, in full, which amount will remain in the Claims Fund), as well as the
8 escrow costs and title fees.

9 Escrow shall close no later than the Effective Date pursuant to the terms and conditions of
10 the Commitment Letter and this Plan and such escrow instructions as required by the Title
11 Company consistent with the Commitment Letter and this Plan.

12 Any amount remaining after close of escrow in the Escrow Account shall be delivered to
13 the Trustee and deposited in the Claims Fund.

14 Without limitation of the other requirements in the Commitment Letter, upon close of
15 escrow, Western Alliance Bank shall hold the beneficial interest in a new deed of trust recorded in
16 first position against the Property and shall receive a policy of title insurance consistent with the
17 Commitment Letter, and AG shall be paid the amount determined by the Court to be due AG on
18 the AG Secured Claim (with the exception of the claimed amount of AG's attorneys fees and costs
19 which shall be held in the Claims Fund).

20 4. Release of Lien

21 On the Effective Date, conditioned only on the receipt of the amount determined by the
22 Court to be due AG necessary to pay the AG Secured Claim in full pursuant to this Cure Plan
23 (except for AG's Allowed attorneys' fees and costs, to be determined by the Court and paid from
24 the Claims Fund), AG shall, by the Confirmation Order, and without need for further
25 documentation, be deemed to have released all liens against the Property arising from the AG
26 Secured Claim, the AG Note, the AG Deed of Trust, and the Construction Loan Agreement. The
27 Confirmation Order shall include such language as may reasonably be requested by the title
28

1 company to enable it to close and insure the lien of the new deed of trust to be held by Western
 2 Alliance Bank as a first priority deed of trust against the Property.

3 **B. Post-Petition Operation of Reorganized Debtor**

4 Following the Effective Date, the Reorganized Debtor anticipates net operating income
 5 approximately as follows:

6 **Carefree Willows, LLC**
 7 **Summary of Projected Net Cash Receipts and Net Income**

	<u>Proj 2016</u>	<u>Proj 2017</u>		<u>Total</u>
Total Receipts	4,026,255	4,066,518	¹⁴	8,092,773
Total Disbursements				
Operational Expenses	1,807,099	1,825,170	¹⁴	3,632,269
Debt Service (\$25.5MM at 5.25% = \$152,142.54/month)	1,825,710	1,825,710	¹⁵	3,651,421
Excess (Deficiency) of Cash	393,446	415,637		809,083

12
 13 **C. Disbursing Agent**

14 The Trustee will serve as disbursing agent and shall make all payments required under this
 15 Plan, other than the payment to AG out of the Escrow Account.. The Trustee may employ or
 16 contract with other entities to assist in or to perform the distribution of funds.

17 **D. Post Effective Date Management of the Debtor**

18 The Debtor shall be managed by its managing member, Carefree Holdings Limited
 19 Partnership, post-Effective Date for no fee, and Carefree Willows Senior Apartments shall be
 20 _____

21 ¹⁴ Projected Total Receipts conservatively reflect the average of the prior 3 calendar years, despite
 22 the material annual increases in Total Receipts over that time frame. In 2015, Total Receipts were
 23 \$4,276,511, which is substantially higher than the \$4,026,255 forecast presented in the Plan. The
 24 Debtor is nearly fully leased, and run rate receipts in 2016 currently exceed the 2016 forecast run
 25 rate. Projected Operational Expenses for 2016 are conservatively based on the average of the prior
 26 3 years for 2016, despite a 2% reduction in operational expenses reflected in the elimination of the
 27 activities fee. The 2017 Operational Expenses are projected at a 1% increase over 2016.

28 ¹⁵ The Adequate Protection Payments represent the turnover to AG of substantially all excess cash
 on a monthly basis, and do not represent traditional debt service. The Trustee has prepared a pro
 forma allocation of the Adequate Protection Payments between Debt Service and Additional
 Adequate Protection Payments. Debt Service is set at the projected debt service under the
 proposed loan from Western Alliance Bank. Additional Adequate Protection Payments are set at
 the difference between the actual Adequate Protection Payments and the Debt Service.

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1 managed post-Effective Date by Ken Templeton Realty & Investment, Inc., which will initially
2 receive management fees in the amount of four percent (4%) of gross revenues.

3 **E. Post-Confirmation Litigation**

4 Post Effective Date, the Reorganized Debtor reserves the right to prosecute actions outside
5 the Bankruptcy Court against certain parties, which may include contractors, subcontractors,
6 engineers, or other persons involved in the construction of the Property, for construction defects
7 associated with the Property; and former counsel to the Debtor.

8 Although it is not anticipated that there will be any objections to General Unsecured
9 Claims, to the extent there are any objections, any objections to Estate Professional Fee Claims,
10 any objection to AG’s fees and costs, and any proceeding to resolve the AG Bus Claim, shall be
11 filed by the Claims Objection Deadline.

12 Upon resolution of Disputed Claims, including the amount due on the AG Bus Claim, the
13 amount held by the Trustee in the Disputed Claims Reserve shall be used to pay such Claims, in
14 full, as and when Allowed. Upon completion of Objections and payment of Allowed Claims, any
15 amount left in the Disputed Claims Reserve shall be returned to Carefree Holdings Limited
16 Partnership within five (5) Business Days.

17 **F. Administrative Fees Due Office of The United States Trustee**

18 The Trustee shall pay all post Effective Date fees required to be paid to the Office of the
19 United States Trustee from the Claims Fund until the case is closed.

20 **G. Post Effective Date Motion for Release of Funds Unnecessary to Meet Obligations**
21 **Under the Confirmed Plan of Reorganization**

22 Following the Effective Date, and after all Estate Professional Fee Claims have been filed,
23 after AG files the amount if asserts is due AG for attorneys’ fees and costs, and taking into
24 account the amounts necessary to pay any Disputed General Unsecured Claims and the AG Bus
25 Claim, and taking into account fees and costs that may become due the Trustee and his
26 professionals post Effective Date, (i.e., the cost to litigate post Confirmation Order issues), the
27 Trustee or any party in interest shall promptly file a motion with the bankruptcy court, seeking a
28

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1 release of funds in the Claims Fund, above the amount necessary to fund the remaining obligations
2 due payable in accordance with the confirmed Plan of Reorganization.

3 **H. Post-Confirmation Status Report**

4 Within 180 days of the entry of the Confirmation Order, the Trustee shall file a final Status
5 Report with the Bankruptcy Court explaining what progress has been made toward consummation
6 of the confirmed Plan. The Status Report shall be served on the United States Trustee, the twenty
7 largest unsecured creditors, and those parties who have requested Special Notice.

8 **I. Case Closure Date**

9 The Case will be closed following resolution of all Claims, the Trustee filing his Post
10 Confirmation Status Report, the Trustee filing and having the Court enter an Order closing the
11 Case, and return of funds, if any, to Carefree Holdings Limited Partnership.

12 **IX.**
13 **Effects of Confirmation of Plan**

14 **A. Debtor's Authority**

15 Until the Effective Date, the Bankruptcy Court shall retain jurisdiction of the Debtor, its
16 assets and its operation. As of the Effective Date, the Debtor, its assets and operations shall be
17 released from the jurisdiction of the Bankruptcy Court, except for those matters as to which the
18 Bankruptcy Court specifically maintains jurisdiction under this Plan or the Confirmation Order,
19 including resolution and allowance of *all* Claims.

20 **B. Vesting of Assets**

21 On the Effective Date, the Trustee shall make, and each holder of an Allowed Claim
22 (including AG as to the AG Secured Claim, in the amount determined due AG by the Bankruptcy
23 Court), shall receive distributions provided for in the Plan in full satisfaction and discharge of such
24 Claim, and title to all assets of the Debtor (including but not limited to the Property, which shall
25 be deemed transferred and conveyed to the Reorganized Debtor) shall all revert in the
26 Reorganized Debtor, in each case free and clear of all liens, Claims, causes of interest and interests
27 asserted against the Debtor (but subject to the liens created in favor of Western Alliance Bank in
28 connection with the new loan). The Trustee shall maintain control and authority over the Claims

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1 Fund. Within ten (10) Business Days of resolution and payment of all Estate Professional Fee
2 Claims, the balance in the Claims Fund and/or Disputed Claims Reserve, shall be delivered to
3 Carefree Holdings Limited Partnership.

4 **C. Discharge of the Debtor**

5 Treatment of all Claims in the Plan shall be in full and complete satisfaction of all legal,
6 contractual and equitable rights asserted against Debtor and its property (including the Property).
7 The rights afforded in this Plan and the treatment of all Claims and the Membership Interests shall
8 be in exchange for and in complete satisfaction, discharge and release of all Claims of any nature
9 whatsoever, including any interest accrued thereon both before and after the Petition Date, against
10 the Debtor, the Debtor in Possession and the Trustee, the estate or assets of the Debtor. Except as
11 otherwise provided in this Plan or the Confirmation Order, on the Effective Date, all Claims
12 against the Debtor and the Debtor-In-Possession shall be satisfied, discharged and released in full.
13 The Reorganized Debtor shall not be responsible for any obligations of the Debtor or the Debtor-
14 In-Possession, except those expressly assumed by the Reorganized Debtor in this Plan as
15 Executory Contracts and the new loan from Western Alliance Bank. Except as otherwise provided
16 in this Plan, all Persons shall be precluded and forever barred from asserting against the
17 Reorganized Debtor, their respective successors or assigns, or their assets, or the Trustee, any
18 other or further Claims based upon any act or omission, transaction, or other activity of any kind
19 or nature that occurred prior to the Effective Date, whether or not the facts of or legal bases
20 therefore were known or existed prior to the Effective Date.

21 **D. Injunction**

22 More specifically, except as provided in this Plan or the Confirmation Order, as of the
23 Effective Date, all entities that have held, currently hold or may hold a Claim or other debt or
24 liability that is discharged or an Interest or other right of the Membership Interests that is
25 terminated pursuant to the terms of the Plan are enjoined from taking any of the following actions
26 against the Debtor, the Reorganized Debtor or their property, or the Trustee, on account of any
27 such discharged Claims, debts or liabilities or the terminated Interest or rights: (i) commencing or
28 continuing, in any manner or in any place, any action or other proceeding; (ii) enforcing,

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1 attaching, collecting or recovering in any manner any judgment, award, decree or order;
2 (iii) creating, perfecting or enforcing any lien or encumbrance; (iv) asserting a setoff, right of
3 subrogation or recoupment of any kind against any debt, liability or obligation due to the Debtor
4 or Reorganized Debtor; and (v) commencing or continuing any action, in any manner, in any place
5 that does not comply with or is inconsistent with the provisions of this Plan.

6 As of the Effective Date, all entities that have held, currently hold or may hold a Claim,
7 demand, debt, right, cause of action or liability that is released pursuant to this Plan are enjoined
8 from taking any of the following actions against the Reorganized Debtor on account of such
9 released Claims, obligations, suits, judgments, damages, demands, debts, rights, causes of action
10 or liabilities: (i) commencing or continuing in any manner any action or other proceeding; (ii)
11 enforcing, attaching, collecting or recovering in any manner any judgment, award, decree or order;
12 (iii) creating, perfecting or enforcing any lien or encumbrance: (iv) asserting a setoff, right of
13 subrogation or recoupment of any kind against any debt, liability or obligation due to any released
14 entity; and (v) commencing or continuing any action, in any manner, in any place that does not
15 comply with or is inconsistent with the provisions of the Plan.

16 By accepting a distribution pursuant to this Plan, each holder of an Allowed Claim
17 receiving distributions pursuant to the Plan will be deemed to have specifically consented to the
18 injunctions set forth in this Section.

19 Substantial consummation of this Plan notwithstanding, pursuant to the Bankruptcy
20 Court’s retention of jurisdiction hereunder, the Debtor reserves the right to seek entry of further
21 orders in aid of confirmation from the Bankruptcy Court to safeguard the sources of funding for
22 performance of the Plan.

23 **X.**
24 **Miscellaneous Items**

25 **A. Assumption of Executory Contracts and Unexpired Leases**

26 The Debtor will assume obligations on all Executory Contracts identified in Section VII of
27 this Plan.
28

1 **B. Retirees Benefits**

2 There are no retirement benefit plans or benefits.

3 **C. Residents' Security Deposits**

4 Nothing in this Plan shall affect the rights of tenants of Carefree Willows Senior
5 Apartments, in regard to their security deposits, that are held in a segregated account.

6 **D. Retention of Jurisdiction**

7 The Court will retain jurisdiction to the extent provided by law, including

- 8 (i) to enter such Orders as may be necessary or appropriate to implement, consummate
- 9 or clarify the provisions of this Plan and all contracts, instruments, releases, and
- 10 other agreements or documents created in connection with this Plan;
- 11 (iii) to ensure that distributions to Holders of Allowed Claims are accomplished as
- 12 provided herein;
- 13 (iv) to enter and implement such Orders as may be appropriate in the event the
- 14 Confirmation Order is for any reason stayed, revoked, modified, reversed or
- 15 vacated;
- 16 (v) to issue such Orders in aid of execution of this Plan, to the extent authorized by
- 17 section 1142 of the Bankruptcy Code;
- 18 (vi) to consider any modifications of this Plan, to cure any defect or omission, or
- 19 reconcile any inconsistency in any Order of the Bankruptcy Court, including the
- 20 Confirmation Order;
- 21 (vii) to hear and determine disputes arising in connection with or relating to this Plan or
- 22 the interpretation, implementation, or enforcement of this Plan or the extent of any
- 23 entity's obligations incurred in connection with or released or exculpated under this
- 24 Plan;
- 25 (viii) to issue injunctions, enter and implement other Orders or take such other actions as
- 26 may be necessary or appropriate to restrain interference by any person or entity
- 27 with consummation or enforcement of this Plan;

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- 1 (ix) to determine any other matters that may arise in connection with or are related to
- 2 this Plan, the Confirmation Order or any contract, instrument, release or other
- 3 agreement or document created in connection with this Plan;
- 4 (x) to hear and determine matters concerning state, local and federal taxes in
- 5 accordance with sections 346, 505, and 1146 of the Bankruptcy Code;
- 6 (xi) to hear any other matter or for any purpose specified in the Confirmation Order that
- 7 is not inconsistent with the Bankruptcy Code; and
- 8 (xii) to enter a final decree closing the Case effectuating the Case Closure Date.

9 **E. Payment of Statutory Fees**

10 All fees payable pursuant to Section 1930 of Title 28 of the United States Code, as
11 determined by the Bankruptcy Court at the hearing on confirmation of this Plan, shall be paid by
12 the Trustee on or before the Effective Date. Any such fees accrued after the Effective Date will be
13 paid by the Debtor.

14 **F. Notices**

15 Any notices, requests, and demands required or permitted to be provided under this Plan,
16 in order to be effective, shall be in writing (including, without express or implied limitation, by
17 facsimile transmission), and, unless otherwise expressly provided herein, shall be deemed to have
18 been duly given or made when actually delivered or, in the case of notice by facsimile
19 transmission, when received and telephonically confirmed, addressed as follows:

20 Samuel R. Maizel
21 Trustee
22 DENTONS US LLP
23 601 South Figueroa Street, Suite 2500
24 Los Angeles, California 90017-5704
Telephone: 213.892.2910
Facsimile: 213.623.9924
Email: samuel.maizel@dentons.com

25 John A. Moe, II
26 DENTONS US LLP
27 Attorney for Trustee
28 300 South Grand Ave., 14th Floor
Los Angeles, California 90071-3124
Telephone: 213.892.4905
Facsimile: 213.623.9924
Email: john.moe@dentons.com

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Brian D. Shapiro
Law Offices of Brian D. Shapiro LLC
Attorney for Trustee
228 S. 4th Street, Suite 300
Las Vegas, NV 89101
Telephone: 702-386-8600
Facsimile: 702-383-0994
Email: brian@brianshapiro.com

Ali M.M. Mojdehi
Cooley, LLP
Attorney for Creditor AG/ICC Willows Loan Owner LLC
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Facsimile: 858.550.6420
Email: amojdehi@cooley.com

Alan R. Smith
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Christopher H. Hart
Schnader Harrison Segal & Lewis LLP
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Samuel Schwartz
Schwartz Flansburg
Attorneys for Certain Members of Carefree Holdings Limited Partnership
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Facsimile: 702-385-2741

Kevin Close
Templeton Development Corporation
3311 South Rainbow Ste 225
Las Vegas, NV 89146
Telephone: 702-873-6700 ext. 107
Facsimile: 702-367-0300
Email: KClose@kentempletongroup.com

1 The headings used in this Plan are inserted for convenience only, and neither constitutes a
2 portion of the Plan nor in any manner affects the construction of the provisions of this Plan.

3 **G. Governing Law**

4 Unless a rule of law or procedure is supplied by federal law (including the Bankruptcy
5 Code and the Bankruptcy Rules), the laws of the State of Nevada -- without giving effect to the
6 conflicts of laws principles thereof -- shall govern the construction of this Plan and any
7 agreements, documents, and instruments executed in connection with this Plan, except as
8 otherwise expressly provided in such instruments, agreements or documents.

9 **H. Notice of Entry of Confirmation Order**

10 Promptly upon the occurrence of the Effective Date, the Trustee shall serve on all known
11 parties in interest and holders of Claims a notice of the entry of the Confirmation Order.

12 **I. Modification of this Plan**

13 As provided in the Bankruptcy Code, modification of this Plan may be proposed in writing
14 by the Trustee at any time before confirmation, provided that the Plan, as modified, meets the
15 requirements of the Bankruptcy Code, are acceptable to Western Alliance Bank and Carefree
16 Holdings Limited Partnership, and provided, the Plan, as modified, complies with the Bankruptcy
17 Code. The Trustee may modify this Plan at any time after confirmation and before substantial
18 consummation, provided that this Plan, as modified, meets the requirements of the Bankruptcy
19 Code and the Bankruptcy Court, are acceptable to Western Alliance Bank and Carefree Holdings
20 Limited Partnership, and after notice and a hearing, is confirmed by the Court.

21 **J. Revocation of Plan**

22 The Trustee reserves the right to revoke and withdraw this Plan prior to the occurrence of
23 the Effective Date. If the Trustee revokes or withdraws this Plan, or if the Effective Date of this
24 Plan does not occur, then, this Plan and all settlements set forth in this Plan shall be deemed null
25 and void and nothing contained herein shall be deemed to constitute a waiver or release of any
26 Claims against the Debtor or to prejudice in any manner the rights of the Debtor or any person or
27 entity in any other further proceedings involving such Debtor. If the Plan is revoked or
28 withdrawn, the funds provided by Western Alliance Bank shall be returned to Western Alliance

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1 Bank (or its designee) with two Business Days of such revocation or withdrawal; and the funds
2 originating from the Joint Account shall be returned to Carefree Holdings Limited Partnership (or
3 its designee) within two Business Days of such revocation or withdrawal.

4 **K. Failure of Plan**

5 If the Plan is not confirmed, then the funds provided by Western Alliance Bank shall be
6 returned to Western Alliance Bank (or its designee) with two Business Days of such failure of
7 confirmation; and the funds originating from the Joint Account shall be returned to Carefree
8 Holdings Limited Partnership (or its designee) within two Business Days of such failure of
9 confirmation.

10 **L. Compliance with All Applicable Laws**

11 If notified by any governmental authority that it is in violation of any applicable law, rule,
12 regulation, or order of such governmental authority relating to its businesses, the Trustee and/or
13 the Debtor shall take whatever action as may be required to comply with such law, rule,
14 regulation, or order; provided, that nothing contained herein shall require such compliance if the
15 legality or applicability of any such requirement is being contested in good faith, and, if
16 appropriate, an adequate reserve for such requirement has been set aside.

17 **M. Binding Effect**

18 Following the Effective Date, this Plan shall be binding upon and inure to the benefit of the
19 Reorganized Debtor, the holders of all Claims and the Membership Interests, and their respective
20 successors and assigns.

21 **N. Post-Confirmation Conversion/Dismissal**

22 A creditor or party-in-interest may bring a motion to convert or dismiss the case under
23 section 1112(b), after the Effective Date of the Plan, if there is a default in performing this Plan
24 after the Effective Date. If the Bankruptcy Court orders the case converted to Chapter 7 after this
25 Plan is confirmed, then all property that had been property of the Chapter 11 estate, and that has
26 not been disbursed pursuant to this Plan, will revert in the Chapter 7 estate. The automatic stay
27 will be reimposed upon the reverted property, but only to the extent that relief from stay was not
28 previously authorized by the Bankruptcy Court during this case.

1 The Order confirming this Plan may also be revoked under very limited circumstances.
2 The Bankruptcy Court may revoke the Confirmation Order if the Order was procured by fraud and
3 if a party in interest brings an adversary proceeding to revoke confirmation on such basis within
4 180 days after the entry of the order of confirmation.

5 **O. Exculpation**

6 From the Petition Date through the Effective Date, the Trustee, his Professionals, the
7 Debtor and its members, managers, attorneys, agents and employees shall not have any liability to
8 the Debtor or any other claimants or creditors, or other parties in interest in the Bankruptcy Case
9 for any act or omission in connection with or arising out of the Bankruptcy Case, including,
10 without limitation, prosecuting confirmation of this Plan, confirmation of this Plan, and the
11 administration of the estate, this Plan or the property to be distributed under this Plan, except for
12 gross negligence or willful misconduct, and in all respects, such persons will be entitled to rely on
13 the advice of counsel with respect to their duties and responsibilities with respect to the
14 Chapter 11 Case and this Plan. This provision is not meant to adjudicate AG's rights against the
15 Guarantors, if any, or the Guarantors' defenses, if any, which are the subject of the state court
16 action and Adversary Proceeding referenced herein.

17 **XI.**
18 **Federal Income Tax Consequences of the Plan**

19 Creditors are advised to discuss with their own tax advisor any tax effect to a creditor who
20 receives a payment under this Plan.

21 **XII.**
22 **Final Decree**

23 Once the estate has been fully administered as referred to in Bankruptcy Rule 3022, the
24 Trustee, or other party as the Bankruptcy Court shall designate in the Plan Confirmation Order,
25 shall file a motion with the Bankruptcy Court to obtain a final decree to close the case.
26
27
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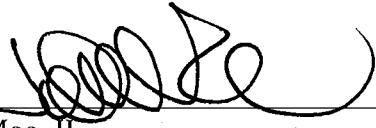
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Respectfully submitted,

Dated: February 2, 2016

DENTONS US LLP
JOHN A. MOE, II

By: 
John A. Moe, II
Counsel for Samuel R. Maizel
Chapter 11 Trustee

LAW OFFICES OF BRIAN D. SHAPIRO, LLC

By: /s/ Brian D. Shapiro, Esq.
Brian D. Shapiro
Counsel for Samuel R. Maizel
Chapter 11 Trustee

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Exhibits

A. List of Adequate Protection Payments delivered by Debtor to AG totaling \$10,858,815.22, through December 31, 2015.

B. Application of Interest to AG’s Claim at a non-default non-compounding rate (the Trustee’s calculation of non-default interest).

C. Payments Asserted Paid on AG Bus Claim

D. Commitment Letter from Western Alliance Bank

E. Funding Agreement for Joint Account and transfer to Claims Fund

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EXHIBIT A

Carefree Willows
Post-Petition Adequate Protection Payments

Preliminary Draft - Subject to Change

Date	All Payments	Excess of \$125,000 Payments	\$75,000 Payments
05/12/10	\$ 75,000.00		\$ 75,000.00
10/10/10	\$ 75,000.00		\$ 75,000.00
10/10/10	\$ (75,000.00)		\$ (75,000.00)
10/31/10	\$ 75,000.00		\$ 75,000.00
11/30/10	\$ 75,000.00		\$ 75,000.00
12/31/10	\$ 75,000.00		\$ 75,000.00
12/31/10	\$ (1,409.00)	\$ (1,409.00)	
01/31/11	\$ 75,000.00		\$ 75,000.00
01/31/11	\$ 75,000.00		\$ 75,000.00
01/31/11	\$ (75,000.00)		\$ (75,000.00)
02/09/11	\$ 500,811.12	\$ 500,811.12	
02/28/11	\$ 75,000.00		\$ 75,000.00
02/28/11	\$ 75,000.00		\$ 75,000.00
02/28/11	\$ (75,000.00)		\$ (75,000.00)
03/10/11	\$ 23,968.83	\$ 23,968.83	
03/31/11	\$ 75,000.00		\$ 75,000.00
03/31/11	\$ (75,000.00)		\$ (75,000.00)
03/31/11	\$ 75,000.00		\$ 75,000.00
04/08/11	\$ 29,494.81	\$ 29,494.81	
04/30/11	\$ 75,000.00		\$ 75,000.00
04/30/11	\$ (75,000.00)		\$ (75,000.00)
04/30/11	\$ 75,000.00		\$ 75,000.00
05/09/11	\$ 56,486.83	\$ 56,486.83	
05/31/11	\$ 75,000.00		\$ 75,000.00
05/31/11	\$ 178.73	\$ 178.73	
05/31/11	\$ (178.73)	\$ (178.73)	
06/01/11	\$ 167.07	\$ 167.07	
06/13/11	\$ 25,773.36	\$ 25,773.36	
06/30/11	\$ 75,000.00		\$ 75,000.00
07/11/11	\$ 75,250.92	\$ 75,250.92	
07/31/11	\$ 75,000.00		\$ 75,000.00
08/08/11	\$ 45,667.98	\$ 45,667.98	
08/31/11	\$ 75,000.00		\$ 75,000.00
09/12/11	\$ 62,064.35	\$ 62,064.35	
09/30/11	\$ 75,000.00		\$ 75,000.00
10/11/11	\$ 31,602.64	\$ 31,602.64	
10/28/11	\$ 75,000.00		\$ 75,000.00
11/08/11	\$ 109,586.13	\$ 109,586.13	
11/30/11	\$ 75,000.00		\$ 75,000.00
12/08/11	\$ 110,726.36	\$ 110,726.36	
12/31/11	\$ 75,000.00		\$ 75,000.00
12/31/11	\$ 225,000.00	\$ 225,000.00	
01/10/12	\$ 103,875.32	\$ 103,875.32	
01/31/12	\$ 75,000.00		\$ 75,000.00
02/07/12	\$ 68,935.99	\$ 68,935.99	
02/29/12	\$ 75,000.00		\$ 75,000.00
03/07/12	\$ 121,482.34	\$ 121,482.34	

Carefree Willows
Post-Petition Adequate Protection Payments

Preliminary Draft - Subject to Change

Date	All Payments	Excess of \$125,000 Payments	\$75,000 Payments
03/29/12	\$ 75,000.00		\$ 75,000.00
04/06/12	\$ 71,139.89	\$ 71,139.89	
04/30/12	\$ 75,000.00		\$ 75,000.00
05/09/12	\$ 77,102.16	\$ 77,102.16	
05/31/12	\$ 75,000.00		\$ 75,000.00
06/11/12	\$ 80,801.12	\$ 80,801.12	
06/28/12	\$ 75,000.00		\$ 75,000.00
07/11/12	\$ 94,544.24	\$ 94,544.24	
07/31/12	\$ 75,000.00		\$ 75,000.00
08/14/12	\$ 43,613.78	\$ 43,613.78	
08/30/12	\$ 75,000.00		\$ 75,000.00
09/12/12	\$ 103,376.43	\$ 103,376.43	
09/28/12	\$ 75,000.00		\$ 75,000.00
10/31/12	\$ 75,000.00		\$ 75,000.00
11/08/12	\$ 6,208.59	\$ 6,208.59	
11/29/12	\$ 75,000.00		\$ 75,000.00
12/11/12	\$ 132,522.19	\$ 132,522.19	
12/31/12	\$ 75,000.00		\$ 75,000.00
01/09/13	\$ 93,398.97	\$ 93,398.97	
01/31/13	\$ 75,000.00		\$ 75,000.00
02/11/13	\$ 65,087.92	\$ 65,087.92	
02/28/13	\$ 75,000.00		\$ 75,000.00
03/11/13	\$ 153,453.24	\$ 153,453.24	
03/28/13	\$ 75,000.00		\$ 75,000.00
04/10/13	\$ 120,369.59	\$ 120,369.59	
04/30/13	\$ 75,000.00		\$ 75,000.00
05/10/13	\$ 118,074.15	\$ 118,074.15	
05/30/13	\$ 75,000.00		\$ 75,000.00
06/12/13	\$ 102,423.95	\$ 102,423.95	
06/27/13	\$ 75,000.00		\$ 75,000.00
07/11/13	\$ 120,321.64	\$ 120,321.64	
07/24/13	\$ 75,000.00		\$ 75,000.00
08/28/13	\$ 75,000.00		\$ 75,000.00
09/10/13	\$ 27,224.18	\$ 27,224.18	
09/26/13	\$ 75,000.00		\$ 75,000.00
10/11/13	\$ 98,870.88	\$ 98,870.88	
10/31/13	\$ 75,000.00		\$ 75,000.00
11/13/13	\$ 187,728.49	\$ 187,728.49	
11/27/13	\$ 75,000.00		\$ 75,000.00
12/12/13	\$ 83,176.67	\$ 83,176.67	
12/19/13	\$ 75,000.00		\$ 75,000.00
01/14/14	\$ 167,743.83	\$ 167,743.83	
01/29/14	\$ 75,000.00		\$ 75,000.00
02/12/14	\$ 33,064.64	\$ 33,064.64	
02/26/14	\$ 75,000.00		\$ 75,000.00
03/12/14	\$ 119,659.15	\$ 119,659.15	
03/26/14	\$ 75,000.00		\$ 75,000.00

Carefree Willows
Post-Petition Adequate Protection Payments

Preliminary Draft - Subject to Change

Date	All Payments	Excess of \$125,000 Payments	\$75,000 Payments
04/10/14	\$ 140,456.80	\$ 140,456.80	
04/23/14	\$ 75,000.00		\$ 75,000.00
05/12/14	\$ 130,146.51	\$ 130,146.51	
05/28/14	\$ 75,000.00		\$ 75,000.00
06/12/14	\$ 149,600.63	\$ 149,600.63	
06/25/14	\$ 75,000.00		\$ 75,000.00
07/11/14	\$ 67,875.92	\$ 67,875.92	
07/30/14	\$ 75,000.00		\$ 75,000.00
08/07/14	\$ 65,616.86	\$ 65,616.86	
08/26/14	\$ 75,000.00		\$ 75,000.00
09/24/14	\$ 75,000.00		\$ 75,000.00
10/07/14	\$ 21,707.20	\$ 21,707.20	
10/24/14	\$ 75,000.00		\$ 75,000.00
11/12/14	\$ 156,250.32	\$ 156,250.32	
11/24/14	\$ 75,000.00		\$ 75,000.00
12/09/14	\$ 120,882.39	\$ 120,882.39	
12/23/14	\$ 75,000.00		\$ 75,000.00
01/12/15	\$ 147,258.90	\$ 147,258.90	
01/27/15	\$ 75,000.00		\$ 75,000.00
02/10/15	\$ 131,285.95	\$ 131,285.95	
02/20/15	\$ 75,000.00		\$ 75,000.00
03/10/15	\$ 136,192.14	\$ 136,192.14	
03/25/15	\$ 75,000.00		\$ 75,000.00
04/14/15	\$ 115,896.19	\$ 115,896.19	
04/27/15	\$ 75,000.00		\$ 75,000.00
05/12/15	\$ 95,444.88	\$ 95,444.88	
05/28/15	\$ 75,000.00		\$ 75,000.00
06/11/15	\$ 158,859.40	\$ 158,859.40	
06/24/15	\$ 75,000.00		\$ 75,000.00
07/09/15	\$ 183,241.30	\$ 183,241.30	
07/29/15	\$ 75,000.00		\$ 75,000.00
08/11/15	\$ 90,116.06	\$ 90,116.06	
08/24/15	\$ 75,000.00		\$ 75,000.00
09/10/15	\$ 82,786.69	\$ 82,786.69	
09/17/15	\$ 75,000.00		\$ 75,000.00
10/13/15	\$ 111,066.97	\$ 111,066.97	
10/23/15	\$ 75,000.00		\$ 75,000.00
11/09/15	\$ 185,784.49	\$ 185,784.49	
11/25/15	\$ 75,000.00		\$ 75,000.00
12/11/15	\$ 72,954.87	\$ 72,954.87	
12/21/15	\$ 81,000.00	\$ 81,000.00	
12/21/15	\$ 75,000.00		\$ 75,000.00
	<u>10,933,815.22</u>	<u>\$ 6,133,815.22</u>	<u>4,800,000.00</u>

EXHIBIT B

Date	Beginning Principal Balance	Contract Interest	Accrued & Unpaid Interest	Payment	Payment Applied to Interest	Remaining Accrued & Unpaid	Payment Applied to Principal	Ending Principal Balance	Principal & Interest Balance
04/30/10	\$ 31,611,646.93	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,611,646.93	\$ 31,611,646.93
05/11/10	\$ 31,611,646.93	\$ 48,295.57	\$ 48,295.57	\$ -	\$ -	\$ 48,295.57	\$ -	\$ 31,611,646.93	\$ 31,659,942.50
05/12/10	\$ 31,611,646.93	\$ -	\$ 48,295.57	\$ 75,000.00	\$ 48,295.57	\$ -	\$ 26,704.43	\$ 31,584,942.50	\$ 31,584,942.50
05/31/10	\$ 31,584,942.50	\$ 87,735.95	\$ 87,735.95	\$ -	\$ -	\$ 87,735.95	\$ -	\$ 31,584,942.50	\$ 31,672,678.45
06/30/10	\$ 31,584,942.50	\$ 131,603.93	\$ 219,339.88	\$ -	\$ -	\$ 219,339.88	\$ -	\$ 31,584,942.50	\$ 31,804,282.38
07/31/10	\$ 31,584,942.50	\$ 135,990.72	\$ 355,330.60	\$ -	\$ -	\$ 355,330.60	\$ -	\$ 31,584,942.50	\$ 31,940,273.10
08/31/10	\$ 31,584,942.50	\$ 135,990.72	\$ 491,321.33	\$ -	\$ -	\$ 491,321.33	\$ -	\$ 31,584,942.50	\$ 32,076,263.83
09/30/10	\$ 31,584,942.50	\$ 131,603.93	\$ 622,925.25	\$ -	\$ -	\$ 622,925.25	\$ -	\$ 31,584,942.50	\$ 32,207,867.76
10/10/10	\$ 31,584,942.50	\$ 43,867.98	\$ 666,793.23	\$ 75,000.00	\$ 75,000.00	\$ 591,793.23	\$ -	\$ 31,584,942.50	\$ 32,176,735.73
10/10/10	\$ 31,584,942.50	\$ -	\$ 591,793.23	\$ (75,000.00)	\$ (75,000.00)	\$ 666,793.23	\$ -	\$ 31,584,942.50	\$ 32,251,735.73
10/31/10	\$ 31,584,942.50	\$ 92,122.75	\$ 758,915.98	\$ 75,000.00	\$ 75,000.00	\$ 683,915.98	\$ -	\$ 31,584,942.50	\$ 32,268,868.48
11/30/10	\$ 31,584,942.50	\$ 131,603.93	\$ 815,519.91	\$ 75,000.00	\$ 75,000.00	\$ 740,519.91	\$ -	\$ 31,584,942.50	\$ 32,325,482.41
12/31/10	\$ 31,584,942.50	\$ 135,990.72	\$ 876,510.63	\$ 75,000.00	\$ 75,000.00	\$ 801,510.63	\$ -	\$ 31,584,942.50	\$ 32,386,453.13
12/31/10	\$ 31,584,942.50	\$ -	\$ 801,510.63	\$ (1,409.00)	\$ (1,409.00)	\$ 802,919.63	\$ -	\$ 31,584,942.50	\$ 32,387,862.13
01/31/11	\$ 31,584,942.50	\$ 135,990.72	\$ 938,910.36	\$ 75,000.00	\$ 75,000.00	\$ 863,910.36	\$ -	\$ 31,584,942.50	\$ 32,448,852.86
01/31/11	\$ 31,584,942.50	\$ -	\$ 863,910.36	\$ 75,000.00	\$ 75,000.00	\$ 788,910.36	\$ -	\$ 31,584,942.50	\$ 32,373,852.86
01/31/11	\$ 31,584,942.50	\$ -	\$ 788,910.36	\$ (75,000.00)	\$ (75,000.00)	\$ 863,910.36	\$ -	\$ 31,584,942.50	\$ 32,448,852.86
02/09/11	\$ 31,584,942.50	\$ 39,481.18	\$ 903,391.53	\$ 500,811.12	\$ 500,811.12	\$ 402,580.41	\$ -	\$ 31,584,942.50	\$ 31,987,522.92
02/28/11	\$ 31,584,942.50	\$ 83,349.15	\$ 485,929.57	\$ 75,000.00	\$ 75,000.00	\$ 410,929.57	\$ -	\$ 31,584,942.50	\$ 31,995,872.07
02/28/11	\$ 31,584,942.50	\$ -	\$ 410,929.57	\$ 75,000.00	\$ 75,000.00	\$ 335,929.57	\$ -	\$ 31,584,942.50	\$ 31,920,872.07
02/28/11	\$ 31,584,942.50	\$ -	\$ 335,929.57	\$ (75,000.00)	\$ (75,000.00)	\$ 410,929.57	\$ -	\$ 31,584,942.50	\$ 31,995,872.07
02/28/11	\$ 31,584,942.50	\$ -	\$ 410,929.57	\$ -	\$ -	\$ 410,929.57	\$ -	\$ 31,584,942.50	\$ 32,015,771.22
03/10/11	\$ 31,584,942.50	\$ 43,867.98	\$ 454,797.54	\$ 23,968.83	\$ 23,968.83	\$ 430,828.71	\$ -	\$ 31,584,942.50	\$ 32,032,893.96
03/31/11	\$ 31,584,942.50	\$ 92,122.75	\$ 522,951.46	\$ 75,000.00	\$ 75,000.00	\$ 447,951.46	\$ -	\$ 31,584,942.50	\$ 32,107,893.96
03/31/11	\$ 31,584,942.50	\$ -	\$ 447,951.46	\$ (75,000.00)	\$ (75,000.00)	\$ 522,951.46	\$ -	\$ 31,584,942.50	\$ 32,032,893.96
03/31/11	\$ 31,584,942.50	\$ -	\$ 522,951.46	\$ 75,000.00	\$ 75,000.00	\$ 447,951.46	\$ -	\$ 31,584,942.50	\$ 32,032,893.96
03/31/11	\$ 31,584,942.50	\$ -	\$ 447,951.46	\$ -	\$ -	\$ 447,951.46	\$ -	\$ 31,584,942.50	\$ 32,032,893.96
04/08/11	\$ 31,584,942.50	\$ 35,094.38	\$ 483,045.84	\$ 29,494.81	\$ 29,494.81	\$ 453,551.03	\$ -	\$ 31,584,942.50	\$ 32,038,493.53
04/30/11	\$ 31,584,942.50	\$ 96,509.55	\$ 550,060.58	\$ 75,000.00	\$ 75,000.00	\$ 475,060.58	\$ -	\$ 31,584,942.50	\$ 32,060,003.08
04/30/11	\$ 31,584,942.50	\$ -	\$ 475,060.58	\$ (75,000.00)	\$ (75,000.00)	\$ 550,060.58	\$ -	\$ 31,584,942.50	\$ 32,135,003.08
04/30/11	\$ 31,584,942.50	\$ -	\$ 550,060.58	\$ 75,000.00	\$ 75,000.00	\$ 475,060.58	\$ -	\$ 31,584,942.50	\$ 32,060,003.08
04/30/11	\$ 31,584,942.50	\$ -	\$ 475,060.58	\$ -	\$ -	\$ 475,060.58	\$ -	\$ 31,584,942.50	\$ 32,060,003.08
05/09/11	\$ 31,584,942.50	\$ 39,481.18	\$ 514,541.76	\$ 56,486.83	\$ 56,486.83	\$ 458,054.93	\$ -	\$ 31,584,942.50	\$ 32,042,997.43
05/31/11	\$ 31,584,942.50	\$ 96,509.55	\$ 554,564.47	\$ 75,000.00	\$ 75,000.00	\$ 479,564.47	\$ -	\$ 31,584,942.50	\$ 32,064,506.98
05/31/11	\$ 31,584,942.50	\$ -	\$ 479,564.47	\$ (178.73)	\$ (178.73)	\$ 479,385.74	\$ -	\$ 31,584,942.50	\$ 32,064,328.25
05/31/11	\$ 31,584,942.50	\$ -	\$ 479,385.74	\$ (178.73)	\$ (178.73)	\$ 479,564.47	\$ -	\$ 31,584,942.50	\$ 32,064,506.98
06/01/11	\$ 31,584,942.50	\$ 4,386.80	\$ 483,951.27	\$ 167.07	\$ 167.07	\$ 483,784.20	\$ -	\$ 31,584,942.50	\$ 32,068,726.70
06/13/11	\$ 31,584,942.50	\$ 52,641.57	\$ 536,425.77	\$ 25,773.36	\$ 25,773.36	\$ 510,652.41	\$ -	\$ 31,584,942.50	\$ 32,095,594.91
06/30/11	\$ 31,584,942.50	\$ 74,575.56	\$ 585,227.97	\$ 75,000.00	\$ 75,000.00	\$ 510,227.97	\$ -	\$ 31,584,942.50	\$ 32,095,170.47
06/30/11	\$ 31,584,942.50	\$ -	\$ 510,227.97	\$ -	\$ -	\$ 510,227.97	\$ -	\$ 31,584,942.50	\$ 32,095,170.47
07/11/11	\$ 31,584,942.50	\$ 48,254.77	\$ 558,482.74	\$ 75,250.92	\$ 75,250.92	\$ 483,231.82	\$ -	\$ 31,584,942.50	\$ 32,068,174.33
07/31/11	\$ 31,584,942.50	\$ 87,735.95	\$ 570,967.78	\$ 75,000.00	\$ 75,000.00	\$ 495,967.78	\$ -	\$ 31,584,942.50	\$ 32,080,910.28
07/31/11	\$ 31,584,942.50	\$ -	\$ 495,967.78	\$ -	\$ -	\$ 495,967.78	\$ -	\$ 31,584,942.50	\$ 32,080,910.28

Date	Beginning Principal Balance	Contract Interest	Accrued & Unpaid Interest	Payment	Payment Applied to Interest	Remaining Accrued & Unpaid	Payment Applied to Principal	Ending Principal Balance	Principal & Interest Balance
08/08/11	\$ 31,584,942.50	\$ 35,094.38	\$ 531,062.16	\$ 45,667.98	\$ 45,667.98	\$ 485,994.18	\$ -	\$ 31,584,942.50	\$ 32,070,336.68
08/31/11	\$ 31,584,942.50	\$ 100,896.34	\$ 586,290.52	\$ 75,000.00	\$ 75,000.00	\$ 511,290.52	\$ -	\$ 31,584,942.50	\$ 32,096,233.02
09/12/11	\$ 31,584,942.50	\$ 52,641.57	\$ 563,932.09	\$ 62,064.35	\$ 62,064.35	\$ 501,867.74	\$ -	\$ 31,584,942.50	\$ 32,086,810.24
09/30/11	\$ 31,584,942.50	\$ 78,962.36	\$ 580,830.10	\$ 75,000.00	\$ 75,000.00	\$ 505,830.10	\$ -	\$ 31,584,942.50	\$ 32,090,772.60
10/11/11	\$ 31,584,942.50	\$ 48,254.77	\$ 505,830.10	\$ 31,602.64	\$ 31,602.64	\$ 522,482.23	\$ -	\$ 31,584,942.50	\$ 32,107,424.73
10/28/11	\$ 31,584,942.50	\$ 74,575.56	\$ 597,057.79	\$ 75,000.00	\$ 75,000.00	\$ 522,057.79	\$ -	\$ 31,584,942.50	\$ 32,107,000.29
10/31/11	\$ 31,584,942.50	\$ 13,160.39	\$ 535,218.18	\$ -	\$ -	\$ 535,218.18	\$ -	\$ 31,584,942.50	\$ 32,120,160.68
11/08/11	\$ 31,584,942.50	\$ 35,094.38	\$ 570,312.56	\$ 109,586.13	\$ 109,586.13	\$ 460,726.43	\$ -	\$ 31,584,942.50	\$ 32,045,668.93
11/30/11	\$ 31,584,942.50	\$ 96,509.55	\$ 557,235.98	\$ 75,000.00	\$ 75,000.00	\$ 482,235.98	\$ -	\$ 31,584,942.50	\$ 32,067,178.48
12/08/11	\$ 31,584,942.50	\$ 35,094.38	\$ 482,235.98	\$ -	\$ -	\$ 482,235.98	\$ -	\$ 31,584,942.50	\$ 31,991,546.50
12/31/11	\$ 31,584,942.50	\$ 100,896.34	\$ 507,500.34	\$ 75,000.00	\$ 75,000.00	\$ 432,500.34	\$ -	\$ 31,584,942.50	\$ 32,017,442.85
12/31/11	\$ 31,584,942.50	\$ -	\$ 432,500.34	\$ 225,000.00	\$ 225,000.00	\$ 207,500.34	\$ -	\$ 31,584,942.50	\$ 31,792,442.85
12/31/11	\$ 31,584,942.50	\$ -	\$ 207,500.34	\$ -	\$ -	\$ 207,500.34	\$ -	\$ 31,584,942.50	\$ 31,732,435.50
01/10/12	\$ 31,584,942.50	\$ 43,867.98	\$ 251,368.32	\$ 110,726.36	\$ 110,726.36	\$ 406,604.00	\$ -	\$ 31,584,942.50	\$ 31,749,558.25
01/31/12	\$ 31,584,942.50	\$ 92,122.75	\$ 239,615.75	\$ 75,000.00	\$ 75,000.00	\$ 164,615.75	\$ -	\$ 31,584,942.50	\$ 31,749,558.25
02/07/12	\$ 31,584,942.50	\$ 30,707.58	\$ 195,323.33	\$ 68,935.99	\$ 68,935.99	\$ 126,387.34	\$ -	\$ 31,584,942.50	\$ 31,711,329.84
02/29/12	\$ 31,584,942.50	\$ 96,509.55	\$ 222,896.89	\$ 75,000.00	\$ 75,000.00	\$ 147,896.89	\$ -	\$ 31,584,942.50	\$ 31,732,839.39
02/29/12	\$ 31,584,942.50	\$ -	\$ 147,896.89	\$ -	\$ -	\$ 147,896.89	\$ -	\$ 31,584,942.50	\$ 31,642,064.63
03/07/12	\$ 31,584,942.50	\$ 30,707.58	\$ 178,604.47	\$ 121,482.34	\$ 121,482.34	\$ 57,122.13	\$ -	\$ 31,584,942.50	\$ 31,672,347.77
03/29/12	\$ 31,584,942.50	\$ 96,509.55	\$ 153,631.68	\$ 75,000.00	\$ 75,000.00	\$ 78,631.68	\$ -	\$ 31,584,942.50	\$ 31,627,528.67
03/31/12	\$ 31,584,942.50	\$ 8,773.60	\$ 87,405.27	\$ -	\$ -	\$ 87,405.27	\$ -	\$ 31,584,942.50	\$ 31,657,811.81
04/06/12	\$ 31,584,942.50	\$ 26,320.79	\$ 113,726.06	\$ 71,139.89	\$ 71,139.89	\$ 42,586.17	\$ -	\$ 31,584,942.50	\$ 31,620,190.83
04/30/12	\$ 31,584,942.50	\$ 105,283.14	\$ 147,869.31	\$ 75,000.00	\$ 75,000.00	\$ 72,869.31	\$ -	\$ 31,584,942.50	\$ 31,641,700.38
05/09/12	\$ 31,584,942.50	\$ 39,481.18	\$ 112,350.49	\$ 77,102.16	\$ 77,102.16	\$ 35,248.33	\$ -	\$ 31,584,942.50	\$ 31,609,154.03
05/31/12	\$ 31,584,942.50	\$ 96,509.55	\$ 131,757.87	\$ 75,000.00	\$ 75,000.00	\$ 56,757.87	\$ -	\$ 31,584,942.50	\$ 31,608,729.59
05/31/12	\$ 31,584,942.50	\$ -	\$ 56,757.87	\$ -	\$ -	\$ 56,757.87	\$ -	\$ 31,584,942.50	\$ 31,617,503.18
06/28/12	\$ 31,584,942.50	\$ 48,254.77	\$ 105,012.65	\$ 80,801.12	\$ 80,801.12	\$ 24,211.53	\$ -	\$ 31,584,942.50	\$ 31,571,213.72
06/30/12	\$ 31,584,942.50	\$ 8,773.60	\$ 98,787.09	\$ 75,000.00	\$ 75,000.00	\$ 23,787.09	\$ -	\$ 31,584,942.50	\$ 31,583,911.53
07/11/12	\$ 31,584,942.50	\$ 48,254.77	\$ 80,815.46	\$ 94,544.24	\$ 94,544.24	\$ -	\$ 13,728.78	\$ 31,571,213.72	\$ 31,583,911.53
07/31/12	\$ 31,571,213.72	\$ 87,697.82	\$ 87,697.82	\$ 75,000.00	\$ 75,000.00	\$ 12,697.82	\$ -	\$ 31,571,213.72	\$ 31,583,911.53
07/31/12	\$ 31,571,213.72	\$ -	\$ 12,697.82	\$ -	\$ -	\$ 12,697.82	\$ -	\$ 31,571,213.72	\$ 31,601,686.22
08/14/12	\$ 31,571,213.72	\$ 61,388.47	\$ 74,086.29	\$ 43,613.78	\$ 43,613.78	\$ 30,472.51	\$ -	\$ 31,571,213.72	\$ 31,596,844.48
08/30/12	\$ 31,571,213.72	\$ 70,158.25	\$ 100,630.76	\$ 75,000.00	\$ 75,000.00	\$ 25,630.76	\$ -	\$ 31,571,213.72	\$ 31,601,229.37
08/31/12	\$ 31,571,213.72	\$ 4,384.89	\$ 30,015.65	\$ -	\$ -	\$ 30,015.65	\$ -	\$ 31,571,213.72	\$ 31,550,471.63
09/12/12	\$ 31,571,213.72	\$ 52,618.69	\$ 82,634.34	\$ 103,376.43	\$ 103,376.43	\$ -	\$ 20,742.09	\$ 31,550,471.63	\$ 31,545,583.79
09/28/12	\$ 31,571,213.72	\$ 70,112.16	\$ 70,112.16	\$ 75,000.00	\$ 75,000.00	\$ -	\$ 4,887.84	\$ 31,545,583.79	\$ 31,545,583.79
09/30/12	\$ 31,545,583.79	\$ 8,762.66	\$ 8,762.66	\$ -	\$ -	\$ 8,762.66	\$ -	\$ 31,545,583.79	\$ 31,545,583.79
10/31/12	\$ 31,545,583.79	\$ 135,821.26	\$ 144,583.93	\$ 75,000.00	\$ 75,000.00	\$ 69,583.93	\$ -	\$ 31,545,583.79	\$ 31,615,167.71

Date	Beginning Principal Balance	Contract Interest	Accrued & Unpaid Interest	Payment	Payment Applied to Interest	Remaining & Accrued Unpaid	Payment Applied to Principal	Ending Principal Balance	Principal & Interest Balance
10/31/12	\$ 31,545,583.79	\$ -	\$ 69,583.93	\$ -	\$ -	\$ 69,583.93	\$ -	\$ 31,545,583.79	\$ 31,615,167.71
11/08/12	\$ 31,545,583.79	\$ 35,050.65	\$ 104,634.57	\$ 6,208.59	\$ 6,208.59	\$ 98,425.98	\$ -	\$ 31,545,583.79	\$ 31,644,009.77
11/29/12	\$ 31,545,583.79	\$ 92,007.95	\$ 190,433.94	\$ 75,000.00	\$ 75,000.00	\$ 115,433.94	\$ -	\$ 31,545,583.79	\$ 31,661,017.72
11/30/12	\$ 31,545,583.79	\$ 4,381.33	\$ 119,815.27	\$ -	\$ -	\$ 119,815.27	\$ -	\$ 31,545,583.79	\$ 31,665,399.05
12/11/12	\$ 31,545,583.79	\$ 48,194.64	\$ 168,009.91	\$ 132,522.19	\$ 132,522.19	\$ 35,487.72	\$ -	\$ 31,545,583.79	\$ 31,581,071.51
12/31/12	\$ 31,545,583.79	\$ 87,626.62	\$ 123,114.34	\$ 75,000.00	\$ 75,000.00	\$ 48,114.34	\$ -	\$ 31,545,583.79	\$ 31,593,698.13
12/31/12	\$ 31,545,583.79	\$ -	\$ 48,114.34	\$ -	\$ -	\$ 48,114.34	\$ 5,852.65	\$ 31,539,731.14	\$ 31,593,698.13
01/09/13	\$ 31,545,583.79	\$ 39,431.98	\$ 87,546.32	\$ 93,398.97	\$ 87,546.32	\$ -	\$ 5,852.65	\$ 31,539,731.14	\$ 31,593,698.13
01/31/13	\$ 31,539,731.14	\$ 96,371.40	\$ 96,371.40	\$ 75,000.00	\$ 75,000.00	\$ 21,371.40	\$ -	\$ 31,539,731.14	\$ 31,561,102.54
01/31/13	\$ 31,539,731.14	\$ -	\$ 21,371.40	\$ -	\$ -	\$ 21,371.40	\$ -	\$ 31,539,731.14	\$ 31,561,102.54
02/11/13	\$ 31,539,731.14	\$ 48,185.70	\$ 69,557.10	\$ 65,087.92	\$ 65,087.92	\$ 4,469.18	\$ -	\$ 31,539,731.14	\$ 31,544,200.32
02/28/13	\$ 31,539,731.14	\$ 74,468.81	\$ 78,937.99	\$ 75,000.00	\$ 75,000.00	\$ 3,937.99	\$ -	\$ 31,539,731.14	\$ 31,543,669.13
02/28/13	\$ 31,539,731.14	\$ -	\$ 3,937.99	\$ -	\$ -	\$ 3,937.99	\$ 101,329.55	\$ 31,539,731.14	\$ 31,543,669.13
03/11/13	\$ 31,539,731.14	\$ 48,185.70	\$ 52,123.69	\$ 153,453.24	\$ 52,123.69	\$ -	\$ 770.44	\$ 31,438,401.59	\$ 31,438,401.59
03/28/13	\$ 31,438,401.59	\$ 74,229.56	\$ 74,229.56	\$ 75,000.00	\$ 74,229.56	\$ -	\$ -	\$ 31,437,631.15	\$ 31,437,631.15
03/31/13	\$ 31,437,631.15	\$ 13,099.01	\$ 13,099.01	\$ -	\$ -	\$ 13,099.01	\$ -	\$ 31,437,631.15	\$ 31,450,730.16
04/10/13	\$ 31,437,631.15	\$ 43,663.38	\$ 56,762.39	\$ 120,369.59	\$ 56,762.39	\$ -	\$ 63,607.20	\$ 31,374,023.95	\$ 31,374,023.95
04/30/13	\$ 31,374,023.95	\$ 87,150.07	\$ 87,150.07	\$ 75,000.00	\$ 75,000.00	\$ 12,150.07	\$ -	\$ 31,374,023.95	\$ 31,386,174.01
04/30/13	\$ 31,374,023.95	\$ -	\$ 12,150.07	\$ -	\$ -	\$ 12,150.07	\$ -	\$ 31,374,023.95	\$ 31,386,174.01
05/10/13	\$ 31,374,023.95	\$ 43,575.03	\$ 55,725.10	\$ 118,074.15	\$ 55,725.10	\$ -	\$ 62,349.05	\$ 31,311,674.90	\$ 31,311,674.90
05/30/13	\$ 31,311,674.90	\$ 86,976.87	\$ 86,976.87	\$ 75,000.00	\$ 75,000.00	\$ 11,976.87	\$ -	\$ 31,311,674.90	\$ 31,323,651.77
05/31/13	\$ 31,311,674.90	\$ 4,348.84	\$ 16,325.72	\$ -	\$ -	\$ 16,325.72	\$ -	\$ 31,311,674.90	\$ 31,328,000.62
06/12/13	\$ 31,311,674.90	\$ 52,118.12	\$ 68,511.84	\$ 102,423.95	\$ 68,511.84	\$ -	\$ 33,912.11	\$ 31,277,762.79	\$ 31,277,762.79
06/27/13	\$ 31,277,762.79	\$ 65,162.01	\$ 65,162.01	\$ 75,000.00	\$ 65,162.01	\$ -	\$ 9,837.99	\$ 31,267,924.80	\$ 31,267,924.80
06/30/13	\$ 31,267,924.80	\$ 13,028.30	\$ 13,028.30	\$ -	\$ -	\$ 13,028.30	\$ -	\$ 31,267,924.80	\$ 31,280,953.10
07/11/13	\$ 31,267,924.80	\$ 47,770.44	\$ 60,798.74	\$ 120,321.64	\$ 60,798.74	\$ -	\$ 59,522.90	\$ 31,208,401.90	\$ 31,208,401.90
07/24/13	\$ 31,208,401.90	\$ 56,348.50	\$ 56,348.50	\$ 75,000.00	\$ 56,348.50	\$ -	\$ 18,651.50	\$ 31,189,750.40	\$ 31,189,750.40
07/31/13	\$ 31,189,750.40	\$ 30,323.37	\$ 30,323.37	\$ -	\$ -	\$ 30,323.37	\$ -	\$ 31,189,750.40	\$ 31,220,073.77
08/28/13	\$ 31,189,750.40	\$ 12,995.73	\$ 151,616.84	\$ 75,000.00	\$ 75,000.00	\$ 76,616.84	\$ -	\$ 31,189,750.40	\$ 31,286,367.24
08/31/13	\$ 31,189,750.40	\$ 43,319.10	\$ 89,612.57	\$ -	\$ -	\$ 89,612.57	\$ -	\$ 31,189,750.40	\$ 31,278,362.97
09/10/13	\$ 31,189,750.40	\$ 69,310.56	\$ 132,931.67	\$ 27,224.18	\$ 27,224.18	\$ 105,707.49	\$ -	\$ 31,189,750.40	\$ 31,295,457.89
09/26/13	\$ 31,189,750.40	\$ 17,327.64	\$ 17,345.68	\$ 75,000.00	\$ 75,000.00	\$ 100,018.05	\$ -	\$ 31,189,750.40	\$ 31,289,768.45
09/30/13	\$ 31,189,750.40	\$ 47,651.01	\$ 117,345.68	\$ -	\$ -	\$ 117,345.68	\$ -	\$ 31,189,750.40	\$ 31,307,096.09
10/11/13	\$ 31,189,750.40	\$ 86,638.20	\$ 152,764.01	\$ 98,870.88	\$ 98,870.88	\$ 66,125.81	\$ -	\$ 31,189,750.40	\$ 31,255,876.21
10/31/13	\$ 31,189,750.40	\$ -	\$ 77,764.01	\$ 75,000.00	\$ 75,000.00	\$ 77,764.01	\$ -	\$ 31,189,750.40	\$ 31,267,514.41
10/31/13	\$ 31,189,750.40	\$ 56,314.83	\$ 134,078.84	\$ 187,728.49	\$ 134,078.84	\$ -	\$ 53,649.65	\$ 31,136,100.75	\$ 31,136,100.75
11/27/13	\$ 31,136,100.75	\$ 60,542.42	\$ 60,542.42	\$ 75,000.00	\$ 60,542.42	\$ -	\$ 14,457.58	\$ 31,121,643.17	\$ 31,121,643.17
11/30/13	\$ 31,121,643.17	\$ 12,967.35	\$ 12,967.35	\$ -	\$ -	\$ 12,967.35	\$ -	\$ 31,121,643.17	\$ 31,134,610.52
12/12/13	\$ 31,121,643.17	\$ 51,869.41	\$ 64,836.76	\$ 83,176.67	\$ 64,836.76	\$ -	\$ 18,339.91	\$ 31,103,303.25	\$ 31,103,303.25
12/19/13	\$ 31,103,303.25	\$ 30,239.32	\$ 30,239.32	\$ 75,000.00	\$ 30,239.32	\$ -	\$ 44,760.68	\$ 31,058,542.57	\$ 31,058,542.57
12/31/13	\$ 31,058,542.57	\$ 51,764.24	\$ 51,764.24	\$ -	\$ -	\$ 51,764.24	\$ -	\$ 31,058,542.57	\$ 31,110,306.81
01/14/14	\$ 31,058,542.57	\$ 60,391.61	\$ 112,155.85	\$ 167,743.83	\$ 112,155.85	\$ -	\$ 55,587.98	\$ 31,002,954.59	\$ 31,002,954.59
01/29/14	\$ 31,002,954.59	\$ 64,589.49	\$ 64,589.49	\$ 75,000.00	\$ 64,589.49	\$ -	\$ 10,410.51	\$ 30,992,544.08	\$ 30,992,544.08

Date	Beginning Principal Balance	Contract Interest	Accrued & Unpaid Interest	Payment	Payment Applied to Interest	Remaining Accrued & Unpaid	Payment Applied to Principal	Ending Principal Balance	Principal & Interest Balance
01/31/14	\$ 30,992,544.08	\$ 8,609.04	\$ 8,609.04	\$ -	\$ -	\$ 8,609.04	\$ -	\$ 30,992,544.08	\$ 31,001,153.12
02/12/14	\$ 30,992,544.08	\$ 51,654.24	\$ 60,263.28	\$ 33,064.64	\$ 33,064.64	\$ 27,198.64	\$ -	\$ 30,992,544.08	\$ 31,019,742.72
02/26/14	\$ 30,992,544.08	\$ 60,263.28	\$ 87,461.92	\$ 75,000.00	\$ 75,000.00	\$ 12,461.92	\$ -	\$ 30,992,544.08	\$ 31,005,006.00
02/28/14	\$ 30,992,544.08	\$ 8,609.04	\$ 21,070.96	\$ -	\$ -	\$ 21,070.96	\$ -	\$ 30,992,544.08	\$ 31,013,615.04
03/12/14	\$ 30,992,544.08	\$ 51,654.24	\$ 72,725.20	\$ 119,659.15	\$ 72,725.20	\$ -	\$ 46,933.95	\$ 30,945,610.13	\$ 30,945,610.13
03/26/14	\$ 30,945,610.13	\$ 60,172.02	\$ 60,172.02	\$ 75,000.00	\$ 60,172.02	\$ -	\$ 14,827.98	\$ 30,930,782.15	\$ 30,930,782.15
03/31/14	\$ 30,930,782.15	\$ 21,479.71	\$ 21,479.71	\$ -	\$ -	\$ 21,479.71	\$ -	\$ 30,930,782.15	\$ 30,952,261.86
04/10/14	\$ 30,930,782.15	\$ 42,959.42	\$ 64,439.13	\$ 140,456.80	\$ 64,439.13	\$ -	\$ 76,017.67	\$ 30,854,764.48	\$ 30,854,764.48
04/23/14	\$ 30,854,764.48	\$ 55,709.99	\$ 55,709.99	\$ 75,000.00	\$ 55,709.99	\$ -	\$ 19,290.01	\$ 30,835,474.47	\$ 30,835,474.47
04/30/14	\$ 30,835,474.47	\$ 29,978.93	\$ 29,978.93	\$ -	\$ -	\$ 29,978.93	\$ -	\$ 30,835,474.47	\$ 30,865,453.41
05/12/14	\$ 30,835,474.47	\$ 51,392.46	\$ 81,371.39	\$ 130,146.51	\$ 81,371.39	\$ -	\$ 48,775.12	\$ 30,786,699.35	\$ 30,786,699.35
05/28/14	\$ 30,786,699.35	\$ 68,414.89	\$ 68,414.89	\$ 75,000.00	\$ 68,414.89	\$ -	\$ 6,585.11	\$ 30,780,114.24	\$ 30,780,114.24
05/31/14	\$ 30,780,114.24	\$ 12,825.05	\$ 12,825.05	\$ -	\$ -	\$ 12,825.05	\$ -	\$ 30,780,114.24	\$ 30,792,939.29
06/12/14	\$ 30,780,114.24	\$ 51,300.19	\$ 64,125.24	\$ 149,600.63	\$ 64,125.24	\$ -	\$ 85,475.39	\$ 30,694,638.85	\$ 30,694,638.85
06/25/14	\$ 30,694,638.85	\$ 55,420.88	\$ 55,420.88	\$ 75,000.00	\$ 55,420.88	\$ -	\$ 19,579.12	\$ 30,675,059.72	\$ 30,675,059.72
06/30/14	\$ 30,675,059.72	\$ 21,302.12	\$ 21,302.12	\$ -	\$ -	\$ 21,302.12	\$ -	\$ 30,675,059.72	\$ 30,696,361.85
07/11/14	\$ 30,675,059.72	\$ 46,864.67	\$ 68,166.80	\$ 67,875.92	\$ 67,875.92	\$ 290.88	\$ -	\$ 30,675,059.72	\$ 30,675,350.60
07/30/14	\$ 30,675,059.72	\$ 80,948.07	\$ 81,238.95	\$ 75,000.00	\$ 75,000.00	\$ 6,238.95	\$ -	\$ 30,675,059.72	\$ 30,681,298.68
07/31/14	\$ 30,675,059.72	\$ 4,260.42	\$ 10,499.38	\$ -	\$ -	\$ 10,499.38	\$ -	\$ 30,675,059.72	\$ 30,685,559.10
08/07/14	\$ 30,675,059.72	\$ 29,822.97	\$ 40,322.35	\$ 65,616.86	\$ 40,322.35	\$ -	\$ 25,294.51	\$ 30,649,765.22	\$ 30,649,765.22
08/26/14	\$ 30,649,765.22	\$ 80,881.32	\$ 80,881.32	\$ 75,000.00	\$ 75,000.00	\$ -	\$ -	\$ 30,649,765.22	\$ 30,655,646.54
08/31/14	\$ 30,649,765.22	\$ 21,284.56	\$ 21,165.88	\$ -	\$ -	\$ 21,165.88	\$ -	\$ 30,649,765.22	\$ 30,676,931.10
09/24/14	\$ 30,649,765.22	\$ 102,165.88	\$ 129,331.77	\$ 75,000.00	\$ 75,000.00	\$ 54,331.77	\$ -	\$ 30,649,765.22	\$ 30,704,096.99
09/30/14	\$ 30,649,765.22	\$ 25,541.47	\$ 79,873.24	\$ -	\$ -	\$ 79,873.24	\$ -	\$ 30,649,765.22	\$ 30,737,729.64
10/07/14	\$ 30,649,765.22	\$ 29,798.38	\$ 109,671.62	\$ 21,707.20	\$ 21,707.20	\$ 87,964.42	\$ -	\$ 30,649,765.22	\$ 30,735,097.14
10/24/14	\$ 30,649,765.22	\$ 72,367.50	\$ 160,331.92	\$ 75,000.00	\$ 75,000.00	\$ 85,331.92	\$ -	\$ 30,649,765.22	\$ 30,764,895.52
10/31/14	\$ 30,649,765.22	\$ 29,798.38	\$ 115,130.31	\$ -	\$ -	\$ 115,130.31	\$ -	\$ 30,649,765.22	\$ 30,659,728.15
11/12/14	\$ 30,649,765.22	\$ 51,082.94	\$ 166,213.25	\$ 156,250.32	\$ 156,250.32	\$ 9,962.93	\$ -	\$ 30,649,765.22	\$ 30,635,811.09
11/24/14	\$ 30,649,765.22	\$ 25,629.84	\$ 61,045.87	\$ 75,000.00	\$ 61,045.87	\$ 25,529.84	\$ -	\$ 30,635,811.09	\$ 30,661,340.93
11/30/14	\$ 30,635,811.09	\$ 38,294.76	\$ 63,824.61	\$ 120,882.39	\$ 63,824.61	\$ -	\$ 57,057.78	\$ 30,578,753.30	\$ 30,578,753.30
12/09/14	\$ 30,635,811.09	\$ 59,458.69	\$ 59,458.69	\$ 75,000.00	\$ 59,458.69	\$ -	\$ 15,541.31	\$ 30,563,211.99	\$ 30,563,211.99
12/23/14	\$ 30,578,753.30	\$ 50,938.69	\$ 84,897.81	\$ 147,258.90	\$ 84,897.81	\$ -	\$ 62,361.09	\$ 30,597,171.12	\$ 30,597,171.12
12/31/14	\$ 30,563,211.99	\$ 33,959.12	\$ 33,959.12	\$ -	\$ -	\$ 33,959.12	\$ -	\$ 30,563,211.99	\$ 30,500,850.90
01/27/15	\$ 30,563,211.99	\$ 63,543.44	\$ 63,543.44	\$ 75,000.00	\$ 63,543.44	\$ -	\$ 11,456.56	\$ 30,489,394.34	\$ 30,489,394.34
01/31/15	\$ 30,500,850.90	\$ 16,938.55	\$ 16,938.55	\$ -	\$ -	\$ 16,938.55	\$ -	\$ 30,489,394.34	\$ 30,506,332.89
02/10/15	\$ 30,489,394.34	\$ 42,346.38	\$ 59,284.93	\$ 131,285.95	\$ 59,284.93	\$ -	\$ 72,001.02	\$ 30,417,393.33	\$ 30,417,393.33
02/20/15	\$ 30,489,394.34	\$ 42,246.38	\$ 42,246.38	\$ 75,000.00	\$ 42,246.38	\$ -	\$ 32,753.62	\$ 30,384,639.71	\$ 30,384,639.71
02/28/15	\$ 30,384,639.71	\$ 33,760.71	\$ 33,760.71	\$ -	\$ -	\$ 33,760.71	\$ -	\$ 30,384,639.71	\$ 30,418,400.42
03/10/15	\$ 30,384,639.71	\$ 42,200.89	\$ 75,961.60	\$ 136,192.14	\$ 75,961.60	\$ -	\$ 60,230.54	\$ 30,324,409.16	\$ 30,324,409.16
03/25/15	\$ 30,324,409.16	\$ 63,175.85	\$ 63,175.85	\$ 75,000.00	\$ 63,175.85	\$ -	\$ 11,824.15	\$ 30,312,585.02	\$ 30,312,585.02
03/31/15	\$ 30,312,585.02	\$ 25,260.49	\$ 25,260.49	\$ -	\$ -	\$ 25,260.49	\$ -	\$ 30,312,585.02	\$ 30,337,845.50
04/14/15	\$ 30,312,585.02	\$ 58,941.14	\$ 84,201.63	\$ 115,896.19	\$ 84,201.63	\$ -	\$ 31,694.56	\$ 30,280,890.45	\$ 30,280,890.45
04/27/15	\$ 30,280,890.45	\$ 54,673.83	\$ 54,673.83	\$ 75,000.00	\$ 54,673.83	\$ -	\$ 20,326.17	\$ 30,260,564.28	\$ 30,260,564.28

Date	Beginning Principal Balance	Contract Interest	Accrued & Unpaid Interest	Payment	Payment Applied to Interest	Remaining Accrued & Unpaid	Payment Applied to Principal	Ending Principal Balance	Principal & Interest Balance
04/30/15	\$ 30,260,564.28	\$ 12,608.57	\$ 12,608.57	\$ -	\$ -	\$ 12,608.57	\$ -	\$ 30,260,564.28	\$ 30,273,172.85
05/12/15	\$ 30,260,564.28	\$ 50,434.27	\$ 63,042.84	\$ 95,444.88	\$ 63,042.84	\$ -	\$ 32,402.04	\$ 30,228,162.24	\$ 30,228,162.24
05/28/15	\$ 30,228,162.24	\$ 67,173.69	\$ 67,173.69	\$ 75,000.00	\$ 67,173.69	\$ -	\$ 7,826.31	\$ 30,220,335.94	\$ 30,220,335.94
05/31/15	\$ 30,220,335.94	\$ 12,591.81	\$ 12,591.81	\$ -	\$ -	\$ 12,591.81	\$ -	\$ 30,220,335.94	\$ 30,232,927.74
06/11/15	\$ 30,220,335.94	\$ 46,169.96	\$ 58,761.76	\$ 158,859.40	\$ 58,761.76	\$ -	\$ 100,097.64	\$ 30,120,238.30	\$ 30,120,238.30
06/24/15	\$ 30,120,238.30	\$ 54,383.76	\$ 54,383.76	\$ 75,000.00	\$ 54,383.76	\$ -	\$ 20,616.24	\$ 30,099,622.07	\$ 30,099,622.07
06/30/15	\$ 30,099,622.07	\$ 25,083.02	\$ 25,083.02	\$ -	\$ -	\$ 25,083.02	\$ -	\$ 30,099,622.07	\$ 30,124,705.08
07/09/15	\$ 30,099,622.07	\$ 37,624.53	\$ 62,707.55	\$ 183,241.30	\$ 62,707.55	\$ -	\$ 120,533.75	\$ 29,979,088.31	\$ 29,979,088.31
07/29/15	\$ 29,979,088.31	\$ 83,275.25	\$ 83,275.25	\$ 75,000.00	\$ 75,000.00	\$ 8,275.25	\$ -	\$ 29,979,088.31	\$ 29,987,363.56
07/31/15	\$ 29,979,088.31	\$ 8,327.52	\$ 16,602.77	\$ -	\$ -	\$ 16,602.77	\$ -	\$ 29,979,088.31	\$ 29,995,691.08
08/11/15	\$ 29,979,088.31	\$ 45,801.38	\$ 62,404.15	\$ 90,116.06	\$ 62,404.15	\$ -	\$ 27,711.91	\$ 29,951,376.41	\$ 29,951,376.41
08/24/15	\$ 29,951,376.41	\$ 54,078.87	\$ 54,078.87	\$ 75,000.00	\$ 54,078.87	\$ -	\$ 20,921.13	\$ 29,930,455.28	\$ 29,930,455.28
08/31/15	\$ 29,930,455.28	\$ 29,099.05	\$ 29,099.05	\$ -	\$ -	\$ 29,099.05	\$ -	\$ 29,930,455.28	\$ 29,959,554.33
09/10/15	\$ 29,930,455.28	\$ 41,570.08	\$ 70,669.13	\$ 82,786.69	\$ 70,669.13	\$ -	\$ 12,117.56	\$ 29,918,337.72	\$ 29,918,337.72
09/17/15	\$ 29,918,337.72	\$ 29,087.27	\$ 29,087.27	\$ 75,000.00	\$ 29,087.27	\$ -	\$ 45,912.73	\$ 29,872,424.99	\$ 29,872,424.99
09/30/15	\$ 29,872,424.99	\$ 53,936.32	\$ 53,936.32	\$ -	\$ -	\$ 53,936.32	\$ -	\$ 29,872,424.99	\$ 29,926,361.32
10/13/15	\$ 29,872,424.99	\$ 53,936.32	\$ 107,872.65	\$ 111,066.97	\$ 107,872.65	\$ -	\$ 3,194.32	\$ 29,869,230.67	\$ 29,869,230.67
10/23/15	\$ 29,869,230.67	\$ 41,485.04	\$ 41,485.04	\$ 75,000.00	\$ 41,485.04	\$ -	\$ 33,514.96	\$ 29,835,715.71	\$ 29,835,715.71
10/31/15	\$ 29,835,715.71	\$ 33,150.80	\$ 33,150.80	\$ -	\$ -	\$ 33,150.80	\$ -	\$ 29,835,715.71	\$ 29,868,866.51
11/09/15	\$ 29,835,715.71	\$ 37,294.64	\$ 70,445.44	\$ 185,784.49	\$ 70,445.44	\$ -	\$ 115,339.05	\$ 29,720,376.66	\$ 29,720,376.66
11/25/15	\$ 29,720,376.66	\$ 66,045.28	\$ 66,045.28	\$ 75,000.00	\$ 66,045.28	\$ -	\$ 8,954.72	\$ 29,711,421.94	\$ 29,711,421.94
12/11/15	\$ 29,711,421.94	\$ 66,025.38	\$ 66,025.38	\$ 72,954.87	\$ 66,025.38	\$ -	\$ 6,929.49	\$ 29,704,492.46	\$ 29,704,492.46
12/21/15	\$ 29,704,492.46	\$ 41,256.24	\$ 41,256.24	\$ 81,000.00	\$ 41,256.24	\$ -	\$ 39,743.76	\$ 29,664,748.70	\$ 29,664,748.70
12/21/15	\$ 29,664,748.70	\$ -	\$ -	\$ 75,000.00	\$ -	\$ -	\$ 75,000.00	\$ 29,589,748.70	\$ 29,589,748.70
12/31/15	\$ 29,589,748.70	\$ 28,719.21	\$ 28,719.21	\$ -	\$ -	\$ 28,719.21	\$ -	\$ 29,589,748.70	\$ 29,618,467.91
Totals	\$ 31,611,646.93	\$ 8,940,636.20	\$ 8,911,916.99	\$ 10,933,815.22	\$ 8,911,916.99	\$ 28,719.21	\$ 2,021,898.23	\$ 29,589,748.70	\$ 29,618,467.91

EXHIBIT C

Ken Templeton Group

01-04-2016 Page 1
 System Date: 01-04-2016
 System Time: 8:36 am
 Files Used: MASTER.GLM
 CURRENT.GLT

Entries by Account

Specified Accounting Date Range: From 10-01-2010 to 12-31-2015

Ref 1/ <u>JRN Vendor</u>	Ref 2/ <u>Invoice</u>	<u>Job</u>	<u>Description</u>	<u>Acctg Date</u>	<u>Debit</u>	<u>Credit</u>
CFWI-00-2510.000 N/P - AG/ICC-Bus						
11	SERVICE1ST0774	10/10	Service1st Bank of Nevada	10-01-2010	1,771.79	
32			Amort Interest	10-31-2010		392.00
11	SERVICE1ST0774	11/10	Service1st Bank of Nevada	11-01-2010	1,771.79	
32			Amort Interest	11-30-2010		392.00
11	SERVICE1ST0774	12/10	Service1st Bank of Nevada	12-01-2010	1,771.79	
31			Correct Loan Interest	12-31-2010	1,409.00	
32			Amort Interest	12-31-2010		392.00
11	SERVICE1ST0774	1/11	Service1st Bank of Nevada	01-01-2011	1,771.79	
32			Amort Interest	01-31-2011		392.00
11	SERVICE1ST0774	2/11	Service1st Bank of Nevada	02-08-2011	1,771.79	
32			Amort Interest	02-28-2011		392.00
11	AG/ICC	030111 BUS	AG/ICC Willows Loan Owners LLC	03-01-2011	1,771.79	
11	AG/ICC	040111 BUS	AG/ICC Willows Loan Owners LLC	03-31-2011	1,771.79	
11	AG/ICC	040111 BUS	(Rev)AG/ICC Willows Loan Owner	03-31-2011	1,771.79-	
32			Amort Interest	03-31-2011		392.00
11	AG/ICC	040111 BUS	AG/ICC Willows Loan Owners LLC	04-30-2011	1,771.79	
32			Amort Interest	04-30-2011		392.00
11	AG/ICC	050111 BUS	AG/ICC Willows Loan Owners LLC	05-31-2011	1,771.79	
11	AG/ICC	050111 BUS	(Rev)AG/ICC Willows Loan Owner	05-31-2011	1,771.79-	
11	AG/ICC	050111 BUS	AG/ICC Willows Loan Owners LLC	05-31-2011	1,593.06	
31			Correct Invoice	05-31-2011	178.73	
32			Amort Interest	05-31-2011		392.00
11	AG/ICC	060111 BUS	AG/ICC Willows Loan Owners LLC	06-01-2011	1,604.72	
11	AG/ICC	070111 BUS	AG/ICC Willows Loan Owners LLC	07-01-2011	1,619.81	
11	AG/ICC	080111 BUS	AG/ICC Willows Loan Owners LLC	08-10-2011	1,624.85	
11	AG/ICC	090111 BUS	AG/ICC Willows Loan Owners LLC	09-01-2011	1,635.00	
11	AG/ICC	100111 BUS	AG/ICC Willows Loan Owners LLC	10-01-2011	1,649.29	
11	AG/ICC	110111 BUS	AG/ICC Willows Loan Owners LLC	11-01-2011	1,655.50	
11	AG/ICC	120111 BUS	AG/ICC Willows Loan Owners LLC	12-01-2011	1,669.25	
11	AG/ICC	010112 BUS	AG/ICC Willows Loan Owners LLC	01-01-2012	1,676.26	
11	AG/ICC	020112 BUS	AG/ICC Willows Loan Owners LLC	02-01-2012	1,686.72	
11	AG/ICC	030112 BUS	AG/ICC Willows Loan Owners LLC	03-01-2012	1,702.06	
11	AG/ICC	040112 BUS	AG/ICC Willows Loan Owners LLC	04-01-2012	1,707.88	
11	AG/ICC	050112 BUS	AG/ICC Willows Loan Owners LLC	05-01-2012	1,720.26	
11	AG/ICC	060112 BUS	AG/ICC Willows Loan Owners LLC	06-01-2012	1,729.28	
11	AG/ICC	070112 BUS	AG/ICC Willows Loan Owners LLC	07-01-2012	1,741.10	
11	AG/ICC	080112 BUS	AG/ICC Willows Loan Owners LLC	08-01-2012	1,750.95	
11	AG/ICC	090112 BUS	AG/ICC Willows Loan Owners LLC	09-11-2012	1,587.72	
13			Correct Int Paid on Bus	12-31-2012	1,002.03	
Account Totals					43,346.00*	3,136.00*
Report Totals					43,346.00*	3,136.00*

EXHIBIT D



Headquarters Office
2700 West Sahara Avenue
Las Vegas, NV 89102
T 702-248-4200

December 30, 2015

Carefree Holdings Limited Partnership
3311 South Rainbow
Suite #225
Las Vegas, Nevada 89146
Attention: Mr. Kenneth L. Templeton

Re: Western Alliance Bank; Loan Commitment

Ladies and Gentlemen:

Based on the statements and representations contained in your financial disclosures and the supplementary exhibits thereto, Western Alliance Bank ("Bank"), has approved a term loan ("Loan") to be made subject to the terms and conditions set forth herein (referred to herein as "Commitment Letter"). It is our understanding that Carefree Holdings Limited Partnership, a Nevada limited partnership, is a majority owner of Carefree Willows, LLC, a Nevada limited-liability company ("Borrower"), and is making arrangements with Bank for the financing described below.

Please note that this letter replaces and supersedes any previous commitment letters sent by Bank in connection with the subject matter hereof.

The general terms of this Commitment Letter are as follows:

1. BORROWER: Carefree Willows, LLC, a Nevada limited-liability company ("Borrower"). Bank acknowledges that Borrower is the subject of a Chapter 11 Bankruptcy Proceeding, Case No. BK-S-10-29932-MKN, in the United States Bankruptcy Court for the District of Nevada (the "Bankruptcy Case"), in which Samuel R. Maizel is the Bankruptcy Court appointed Chapter 11 Trustee in the Bankruptcy Case (the "Trustee"). Borrower is a party in two adversary proceedings filed in connection with the Bankruptcy Case, No. 14-01105-MKN and Case No. 15-01086-MKN (together, the "Adversary Proceedings"). Bank further acknowledges that this Commitment Letter is not binding on Borrower and the Loan cannot be consummated unless and until accepted by the Trustee and, if required, approved by the United States Bankruptcy Court, and that this Commitment Letter will be provided to the Trustee for his approval in connection with the formulation of a Chapter 11 Plan of Reorganization in the

Carefree Holdings Limited Partnership
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Bankruptcy Case.

2. GUARANTORS: Kenneth L. Templeton, Kenneth L. Templeton as Trustee of the Kenneth L. Templeton Family Trust, Kenneth L. Templeton as Trustee of the Ken II Revocable Family Trust, Carefree Holdings Limited Partnership, a Nevada limited partnership, MLPGP, L.L.C., a Nevada limited liability company, and N.S.M. L.L.C., a Nevada limited-liability company (individually a "Guarantor" and together, the "Guarantors"), shall guaranty repayment of the Loan under the terms of a guaranty acceptable to Bank in its sole discretion. Bank acknowledges the existence of a lawsuit against certain of the Guarantors, commenced on March 25, 2011, by AG/ICC Willows Loan Owner, LLC (the "Present Lender"), which lawsuit was the subject of a Writ of Mandamus issued by the Nevada Supreme Court Clerk on February 13, 2013, and which lawsuit remains pending in the Eighth Judicial District Court for Clark County, Nevada, as Case No. A-11-637829-C (the "Guarantor State Court Action").

3. SECURITY: A first position deed of trust and assignment of rents with respect to certain real property, and Borrower's interest in all fixtures and equipment located thereon and/or attached thereto ("Real Property"), which is described in Exhibit "A" attached hereto, and which is generally located at 3250 South Town Center Drive, Las Vegas, Nevada 89135. The Real Property is owned by the Borrower. Such deed of trust shall prohibit secondary financing that is not acceptable to the Bank.

4. PRINCIPAL AMOUNT: \$25,500,000.00.

5. INTEREST RATE: The interest rate for the Loan shall be the Bank's "Five-Year LIBOR SWAP" interest rate, plus three and three quarters of one percent (3.75%), per annum, fixed as of the closing for the term of the Loan, with a floor rate of five and one quarter of one percent (5.25%) per annum. The term "Five-Year LIBOR SWAP" shall be more fully defined and explained in the subject promissory note for the Loan, which shall include the terms that Bank typically includes in such promissory notes.

6. TERM/PAYMENTS:

6.1 Payments. Monthly principal and interest payments on the Loan shall be based on a twenty-five (25) year amortization period, the applicable interest rate set forth above, and the principal amount of the Loan, and shall be due on the fifteenth (15th) day of each month.

6.2 Maturity. The Loan shall mature on that date which is five (5) years from the date of the promissory note evidencing the Loan (the "Maturity Date"), which will be dated as of the disbursement of the proceeds of the Loan.

6.3 Prepayment Penalty/Fee. There shall be no prepayment penalty or

Carefree Holdings Limited Partnership
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premium charged in connection with any prepayment of the Loan.

7. Additional Condition Precedent to Loan. As an additional condition precedent to Bank making the Loan, the Trustee shall have obtained confirmation of a Chapter 11 Bankruptcy Plan (the "Chapter 11 Plan"), that provides for the Loan to be made and permits the security interests to be granted to Bank to be free and clear of any prior claims (other than statutory liens for property taxes not yet due and payable), and the Chapter 11 Plan shall otherwise be acceptable to Bank in its reasonable discretion. The Bank requires a minimum capital contribution to Borrower at the time the Loan is funded of not less than \$10,000,000 (the "Capital Contribution"), and members of Borrower have agreed to contribute an additional \$8,500,000 (the "Additional Capital Contribution"), for a total capital contribution of \$18,500,000 (the "Total Capital Contribution"). The \$10,000,000 Capital Contribution shall be applied as part of the Chapter 11 Plan, together with proceeds of the Loan, in order to satisfy the secured claim of the Present Lender. If less than the \$10,000,000 Capital Contribution, plus the proceeds of the Loan, is necessary to satisfy the secured claim of the Present Lender, the Loan amount shall be reduced by a like amount. By way of example, if the Chapter 11 Plan requires \$30,000,000.00 be utilized to retire the secured claim of the Present Lender, the Loan shall be reduced to \$20,000,000.00, such that the sum of the Capital Contribution of \$10,000,000.00 and the Loan of \$20,000,000.00 shall equal the \$30,000,000.00 required by the Plan. Any Capital Contribution in excess of \$10,000,000.00 shall not reduce the Loan amount. The Additional Capital Contribution shall be used as necessary to pay administrative expenses and sums necessary to effectuate the Chapter 11 Plan, and if not needed for such purposes, may be returned to the members. Bank understands that the State Court Lawsuit and the Adversary Proceedings may not be resolved at the time the Loan is funded. Notwithstanding the foregoing, Borrower acknowledges that the Chapter 11 Plan must, without limitation: i) provide that the Property will be free and clear of all prior liens and claims (other than statutory liens for property taxes not yet due and payable) such that the Bank's lien against the Real Property, securing the Loan, is a first position lien; ii) provide that the Present Lender will not be able to, in any form, effectuate a trustee's sale or foreclosure sale/trustee's sale under the deed of trust that is identified in the Guarantor State Court Action; and iii) provide that the Guarantors shall demonstrate to Bank that, after confirming the Plan and funding the Total Capital Contribution, the Guarantors shall still meet the financial requirements set forth in Section 10.5.5 herein.

8. RESTRICTION ON USE OF FUNDS: The proceeds of the subject loan are to be used for the refinancing of an existing loan which is secured by a lien against the Real Property, and for other related business purposes only.

9. LOAN CHARGE: A "loan fee," in the amount of one percent (1.0%) of the principal amount of the Loan (which loan fee shall amount to \$255,000.00) shall be due in full upon the closing of the subject Loan; provided, however, that if Borrower and/or the Trustee obtains financing from another lender in connection with the Chapter 11 Plan (defined in Section

Carefree Holdings Limited Partnership
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7 of this Commitment Letter) for any reason, other than the Bank's breach of the terms of this Commitment Letter, Borrower shall pay to Bank a "commitment fee" of \$100,000.00, as well as all of Bank's reasonable attorney's fees incurred in connection with the Loan. Upon the closing of the Loan, Borrower shall also pay all other reasonable charges, fees, costs and expenses of Bank incurred in connection with the Loan, including, without limitation, reasonable attorneys' fees, including, without limitation, and "internal" documentation fee to Bank in the amount of \$500.00. All such charges, fees, costs and expenses may be paid from the proceeds of the Loan, to extent available.

10. CONDITIONS PRECEDENT TO THE LOAN:

10.1 Bank's expenses of this transaction are to be paid by the Borrower or Guarantors. This includes, but is not limited to, title company charges, recording fees, appraisal fees, fire and hazard insurance premium, tax service contract, and reasonable attorneys' fees.

10.2 Bank will require evidence of Borrower's and each Guarantor's (if other than an individual) good standing, authorization to do business in Nevada, organizational documents (including, without limitation, articles of organization and operating agreements), or other evidence of authority, as well as authorizations relative to the Loan.

10.3 The amount of the Loan will be subject to an appraisal and or valuation of the Real Property at an amount to provide for a maximum of a sixty-five percent (65%) loan to value ratio, as more fully defined and explained in the loan documents.

10.4 This Commitment Letter is based on the current signed financial statements of Borrower and the current financial information for Guarantors, all of which have been provided to us. You agree to provide or cause to be provided new statements and financial information for both the Borrower and the Guarantors, as reasonably requested by the Bank, during the term of this Commitment Letter. Such ongoing reporting financial requirements are more specifically set forth below. You also agree to provide the Bank with the following, as a condition to the funding of the Loan: i) such environmental reports and studies, soils report, flooding reports and environmental/flood surveys as Bank may reasonably require; and ii) an ALTA survey for the Property, certified in favor of Bank.

10.5 The documents relating to the Loan may include terms and provisions in addition to the specific terms set forth herein, to the extent that the Bank typically includes such terms in its loan documentation, provided, however, that such terms and provisions will not override or conflict with the terms of this Commitment Letter. Without limitation, those terms will require the following:

10.5.1 Borrower's and Guarantors' and their respective affiliates aggregate

Carefree Holdings Limited Partnership
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average deposits with Bank shall total at least \$3,000,000.00, tested annually beginning with the calendar year ending December 31, 2016; failure to comply with the minimum deposit covenant will allow Bank the right to assess a fee equal to 5.0% of the amount by which such year's aggregate average deposits is less than \$3,000,000 (with the fee measured as of the last day of each calendar year), but such fee shall not be collected until the earlier of full Loan repayment or Loan maturity;

10.5.2 Borrower shall open all of its operating and business banking accounts with Bank;

10.5.3 Borrower's "Debt Service Coverage Ratio" as defined and set forth more fully in the loan documents shall be at least 1.15 to 1.0, tested semi-annually for the previous six-month period, commencing with the semi-annual period ending June 30, 2016;

10.5.4 Bank shall have the right to re-appraise the Real Property from time to time as may be reasonably necessary, which appraisals, and the appraisers performing such appraisals, shall be subject to the requirements set forth in the loan documents, provided that except following a default under the loan documents, such reappraisals will not be required more frequently than annually;

10.5.5 Guarantors shall (i) maintain aggregate "liquid assets" (meaning cash, cash equivalents and readily marketable securities), of at least \$10,000,000.00, and (ii) shall maintain an aggregate "net worth" (based on the greater of asset-market-value or asset-tax-basis value as shown in the said Guarantor's financial statement) of at least \$50,000,000.00, each tested annually commencing with the calendar year ending December 31, 2016;

10.6 Such other conditions as the Bank may reasonably impose or as may be customary for the Bank or for other financial institutions similarly situated, including, without limitation, the following:

10.6.1 A satisfactory review by Bank's counsel of Borrower's and each non-individual Guarantor's organizational documents.

10.6.2 Commercial and liability insurance for the Real Property satisfactory to Bank, as set forth more fully in the loan documents.

10.6.3 The Guarantors' subordination of all of Borrower's debt to Guarantors (including rights against any collateral therefor), to the Loan and all security for

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the Loan to be in a form reasonably satisfactory to Bank.

10.6.4 Preliminary title reports for the Real Property, and copies of all exceptions referenced therein, and a commitment for title insurance from the title company issuing such report(s), all satisfactory to Bank at its reasonable discretion.

11. DOCUMENTATION/TERMS: The Loan shall be evidenced by a Promissory Note ("Promissory Note") in a form satisfactory to the Bank signed by the Borrower, and shall be guaranteed under the terms of a guaranty executed by each of the Guarantors. The Promissory Note shall be secured by a first position deed of trust on the Real Property ("Deed of Trust"). All of the foregoing documents, and all other instruments and documents which the Bank may, in its sole discretion, require to consummate the Loan, shall i) be in a form prepared by and reasonably satisfactory to the Bank, ii) shall include authorizations, certificates, loan agreements, indemnities and other documents typically required by Bank in connection with such real-estate loan transactions, and iii) shall include terms typically required by Bank in connection with such real-estate loan transactions, such as casualty and liability insurance requirements, title insurance requirements and other similar requirements.

12. FINANCIAL CONDITION: In issuing this Commitment Letter, the Bank is relying on the financial condition of the Borrower and Guarantors as represented in the financial disclosures and supplementary exhibits thereto provided by Borrower and/or Guarantor to Bank (taking into account the transactions and Total Capital Contribution to be made pursuant to the Chapter 11 Plan). The Bank is also relying on the Borrower to generate records and accounts with respect to the Real Property and to make such copies or extracts thereof as the Bank shall reasonably request.

13. BORROWER'S AND GUARANTOR'S FINANCIAL STATEMENTS/TAX RETURNS: The loan documents will provide that during the term of the Loan, Borrower and Guarantors, respectively, must furnish or cause to be furnished to the Bank, the following:

13.1 Borrower shall furnish to Bank, within sixty (60) days of the end of each semi-annual period, the then-current signed financial statements for Borrower, prepared in accordance with GAAP;

13.2 Guarantors (with the exception of MLPGP, L.L.C., a Nevada limited liability company) shall all furnish to Bank, within sixty (60) days of the end of each calendar year (fiscal year in the case of non-individual Guarantors) the then-current financial statements for such Guarantors, respectively, including, without limitation, liquidity verification statements for N.S.M. L.L.C. (including bank statements, brokerage statements and other similar statements showing the nature and balance of liquid assets), with individual Guarantors to provide financial

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statements in the form of a template provided by Bank;

13.3 Borrower and Guarantors shall each furnish to Bank, within thirty (30) days of filing, copies of their respective federal tax returns, including extensions, K-1s and all attachments thereto (to the extent that Borrower and Guarantors file separate tax returns); and

13.4 Borrower shall provide a rent roll for the Real Property within sixty (60) days of the end of each calendar year, commencing with the calendar year ending December 31, 2016; and

13.5 Borrower and Guarantors shall each furnish to Bank such other financial information and documents as may be reasonably required by Bank.

14. FISCAL YEARS: During the term of the Loan, Borrower shall inform the Bank of any change with respect to its fiscal year.

15. LOAN PARTICIPATION, APPROVAL OF PARTICIPANTS: The Bank reserves the right to offer other federally insured financial institutions the opportunity to purchase a participating interest in the Loan. Borrower agrees that all the terms and conditions of any loan commitment, and any transaction documents shall remain in full force and effect regardless of the involvement of another financial institution. Borrower further agrees to supply any such financial institution designated by the Bank with any financial or operating information which Borrower is obligated to supply the Bank, including, but not limited to the information itemized in this Commitment Letter. Notwithstanding the foregoing, in the event of a payment default under the terms of the Loan there shall be no restriction on Bank's ability to participate and/or sell the Loan.

16. OPINION OF BORROWER'S COUNSEL: Prior to the closing of the Loan the Bank may require a customary written opinion of Borrower's and Guarantor's counsel, containing such customary opinions as may be required by the Bank in connection with real-estate transactions such as the Loan, including, without limitation, an opinion as to i) organization and existence of the Borrower, ii) Borrower's authorization to enter into the terms of the Loan and execution the documents related to the Loan, iii) the enforceability of the documents governing, evidencing and securing the Loan, and iv) the status of the Guarantor State Court Action, additionally including an opinion that, in the Guarantor State Court Action, the Present Lender may not obtain a judgment against any of the Guarantors unless and until there is a trustee's sale or foreclosure under the deed of trust described in the Guarantor State Court Action.

17. PROHIBITION AGAINST SECONDARY FINANCING: The Commitment

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Letter is conditioned upon there being as of the time of the closing of the Loan, and during the term of the Loan, no secondary or supplementary financing; no other lien, charge or security interest upon or affecting any of the property (real or personal, tangible or intangible) of the Borrower or the Guarantor in which the Bank has a security interest; and no agreement to grant any such interest other than liens or charges which will be discharged from the proceeds of the Loan. The Bank, in its sole discretion, may issue a written waiver of any or all of these prohibitions.

18. MANAGEMENT AND OWNERSHIP: The management and ownership of the Borrower, as represented to the Bank by the Borrower, has been reviewed and approved by the Bank and is a material inducement to the Bank in the making of the Loan. Unless Borrower obtains the prior written approval of the Bank the Loan may, at the Bank's option, become immediately due and payable upon any material change in the management or ownership of the Borrower or the Real Property.

19. MISCELLANEOUS:

19.1 Time shall be of the essence in this Commitment Letter. No waiver of any of the terms and provisions of this Commitment Letter, and no waiver of any default or failure to comply with the Commitment Letter shall be effective, unless made by the Bank in writing. All notices shall be in writing.

19.2 So long as this Commitment Letter remains in force and effect, the Bank shall have the right to demand complete financial statements of any or all persons to be obligated to the Bank under this Commitment Letter.

19.3 This Commitment Letter is conditioned upon continuation of the assets, liquidity, net worth and credit standing of all persons to be obligated to the Bank at substantially as favorable a level as disclosed by the financial disclosures and the supplementary exhibits submitted to the Bank (taking into account changes in connection with the transactions and Total Capital Contribution to be made pursuant to the Chapter 11 Plan).

19.4 Reference herein to matters being to the satisfaction of the Bank shall include the satisfaction of any legal counsel engaged by the Bank.

19.5 This Commitment Letter supersedes any and all other commitments, agreements, provisions, offers and statements whether written or oral, made by the Bank or anyone acting with its authorization. No change, amendment, or modification hereof shall be valid unless made in writing and signed by a duly authorized officer of the Bank.

Carefree Holdings Limited Partnership
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19.6 Borrower authorizes the Bank to use Borrower's name and provide any information regarding Borrower in all reports required by any governmental body regulating the Bank.

20. CANCELLATION AND TERMINATION OF COMMITMENT BY THE BANK: The Bank reserves the right to cancel this Commitment Letter and to terminate its obligations hereunder at any time in the event of any change subsequent to the date of this Commitment Letter deemed by the Bank to be a material or substantial adverse change in the assets, liquidity, net worth or credit standing of Borrower, Guarantor or other person who shall become obligated (taken as a whole) to the Bank under this Commitment Letter.

21. ACCEPTANCE: An executed copy of the Commitment Letter shall be received by the Bank on or before 5:00 p.m. on that date (the "Commitment Expiration") which is ten (10) days from the date of this Commitment Letter (or the next business day if such date falls on Saturday, Sunday or legal holiday), along with a non-refundable deposit of \$10,000.00, which shall be credited against the commitment fee or loan fee, as applicable. In the event an accepted copy of the Commitment Letter has not been received by the Bank on or before the Commitment Expiration, the Commitment Letter shall be deemed to have lapsed and the Bank shall have no further obligation under this Commitment Letter.

22. EXPIRATION OF COMMITMENT: If this Commitment Letter is accepted, all funds and documents necessary to consummate the Loan must be provided to Bank to enable the Loan to close no later than February 10, 2016, unless an extension is agreed to in writing by the Bank.

23. APPLICABLE GOVERNING LAW: The laws of the State of Nevada shall govern the terms and conditions of this agreement and the Loan.

Very truly yours,

Western Alliance Bank

By: MARK THOMAS
Name: Mark Thomas
Title: AVP

TO: Western Alliance Bank

DATE: 2/4/16

The undersigned Guarantors accept the foregoing Commitment Letter, but represent to Bank that they are not authorized to bind Borrower, and that this Commitment Letter is not binding on Borrower and the Loan cannot be consummated unless and until accepted by the Trustee and, if required, approved by the United States Bankruptcy Court.

GUARANTORS:

CAREFREE HOLDINGS LIMITED PARTNERSHIP, a Nevada limited partnership,

By: MLPGP, L.L.C., a Nevada limited liability company, General Partner

By: [Signature]
Kenneth L. Templeton, Manager

[Signature]
Kenneth L. Templeton

MLPGP, L.L.C., a Nevada limited liability company, General Partner

By: [Signature]
Kenneth L. Templeton, Manager

[Signature]
Kenneth L. Templeton as Trustee of the
Kenneth L. Templeton Family Trust

[Signature]
Kenneth L. Templeton as Trustee of the
Ken II Revocable Family Trust

N.S.M., L.L.C., a Nevada limited-liability company

By: [Signature]
Kenneth L. Templeton, Manager

EXHIBIT "A"

(Legal Description of Real Property.)

PARCEL 1:

LOT FIVE (5) IN BLOCK C OF SUMMERLIN VILLAGE 14A EAST PHASE 1B, AS SHOWN BY MAP THEREOF ON FILE IN BOOK 81 OF PLATS, PAGE 38, AND CERTIFICATE OF AMENDMENT RECORDED MAY 15, 2007 IN BOOK 20070515 AS INSTRUMENT NO. 01054 IN THE OFFICE OF THE COUNTY RECORDER OF CLARK COUNTY, NEVADA.

PARCEL 2:

EASEMENTS FOR INGRESS AND EGRESS AS CREATED BY THAT CERTAIN ACCESS EASEMENT AGREEMENT RECORDED NOVEMBER 15, 2005 IN BOOK 20051115 AS DOCUMENT NO. 01960, OFFICIAL RECORDS, CLARK COUNTY, NEVADA.



Headquarters Office
2700 West Sahara Avenue
Las Vegas, NV 89102
T 702-248-4200

January 21, 2016

Carefree Holdings Limited Partnership
3311 South Rainbow
Suite #225
Las Vegas, Nevada 89146
Attention: Mr. Kenneth L. Templeton

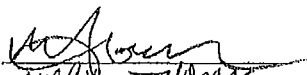
Re: Western Alliance Bank; Loan Commitment

Ladies and Gentlemen:

You have previously received from us a "Commitment Letter," dated December 30, 2015. In paragraph 22 of the Commitment Letter, we provided that the loan commitment referenced therein expired on February 10, 2016. Please accept this letter as an amendment to that paragraph 22, pursuant to which the said loan commitment will now expire on April 29, 2016. In all other respects, the Commitment Letter remains in full force and effect. Terms used as defined terms herein shall have the meaning for such terms set forth in the Commitment Letter.

Very truly yours,

Western Alliance Bank

By: 
Name: MARK THOMAS
Title: AVP

TO: Western Alliance Bank

DATE: 1/21/16

The undersigned Guarantors accept the foregoing amendment to Commitment Letter, dated January 21, 2016, but represent to Bank that they are not authorized to bind Borrower, and that the Commitment Letter, as amended, is not binding on Borrower and the Loan cannot be consummated unless and until accepted by the Trustee and, if required, approved by the United States Bankruptcy Court, all as provided in the Commitment Letter.

GUARANTORS:

CAREFREE HOLDINGS LIMITED PARTNERSHIP, a Nevada limited partnership,

By: MLPGP, L.L.C., a Nevada limited liability company, General Partner

By: 

Kenneth L. Templeton, Manager

Kenneth L. Templeton

MLPGP, L.L.C., a Nevada limited liability company, General Partner

By: 

Kenneth L. Templeton, Manager

Kenneth L. Templeton as Trustee of the
Kenneth L. Templeton Family Trust

Kenneth L. Templeton as Trustee of the
Ken II Revocable Family Trust

N.S.M., L.L.C., a Nevada limited-liability company

By: 

Kenneth L. Templeton, Manager

EXHIBIT E

FUNDING AGREEMENT

This Funding Agreement (“**Funding Agreement**”) is made as of the ___ day of January, 2016 (the “**Agreement Date**”), by and between Carefree Holdings Limited Partnership, a Nevada limited partnership (“**CHLP**”), and Samuel R. Maizel, Esq. (“**Trustee**”), in his capacity as the duly appointed and acting Chapter 11 Trustee in the bankruptcy case of In re Carefree Willows, LLC, a Nevada limited-liability company (“**Debtor**”) currently pending before the United States Bankruptcy Court for the District of Nevada Case No. BK-S-10-29932-MKN (the “**Bankruptcy Case**”), with reference to the following facts:

A. CHLP is a member of Debtor, holding in excess of a 99% membership interest.

B. Pursuant to 11 U.S.C. § 1123(a)(5)(G), 11 U.S.C. § 1124, and applicable authority, including Great Western Bank & Trust v. Entz-White Lumber and Supply, Inc. (*In re Entz-White Lumber and Supply, Inc.*), 850 F.2d 1338 (9th Cir. 1988), the Trustee intends to file a plan of reorganization in the Bankruptcy Case (the “**Cure Plan**”) that will “cure” the default(s) under the existing loan between the Debtor, as borrower, and AG/ICC Willows Loan Owner, L.L.C. (“**AG**”), as lender/holder (the “**AG Loan**”). In addition, the Trustee, and/or other parties in interest may seek a reduction to the amounts claimed by AG for attorneys’ fees and costs, either consensually or via Court intervention. The Cure Plan will provide for payment of sums finally determined to be due for AG’s attorneys’ fees and costs.

C. The Cure Plan requires the Debtor to obtain replacement funds sufficient to retire the AG Loan. CHLP has procured a loan commitment for a portion of the replacement funds (the “**New Loan**”) from Bank of Nevada, and/or its parent, Western Alliance Bank (the “**Bank**”), in the maximum principal amount of \$25,500,000.00. The Bank has committed to make the New Loan pursuant to the terms of a certain commitment letter dated December 30, 2015, as amended by letter dated January 21, 2016 (collectively, the “**Commitment Letter**”).

D. The Commitment Letter requires additional equity capital to be contributed to Debtor in the minimum amount of \$10,000,000.00 (the “**Bank Required Additional Capital Contribution**”). The Commitment Letter also acknowledges the potential for an additional capital contribution to Debtor in the amount of \$8,500,000, as potentially required to satisfy the AG Loan or the Cure Plan’s financial terms, but not required by the Bank (the “**CHLP Contribution**”) (the Bank Required Additional Capital Contribution and the CHLP Contribution, collectively, the “**Additional Capital Contribution**”), and CHLP has agreed to fund the Additional Capital Contribution to the extent necessary, pursuant to the terms and conditions hereof.

E. Trustee has required this Funding Agreement to be executed and delivered by CHLP as a condition precedent to his proposal of the Cure Plan.

Now therefore, in consideration of the foregoing and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, CHLP and Trustee agree as follows:

1. Incorporation of Recitals. The foregoing recitals are agreed to be true and correct and incorporated by this reference.

2. Funds Availability. CHLP has demonstrated to the satisfaction of Trustee that CHLP currently has funds available sufficient to deliver an amount equal to the Additional Capital Contribution as and when required hereunder.

3. Confirmation Motion. The Trustee shall seek confirmation of the Cure Plan in the form attached hereto as Exhibit "1" (the "Cure Plan"), and the Trustee shall seek to obtain a date from the Court for a hearing on confirmation of the Cure Plan to occur on or before March 31, 2016. The Trustee will not modify the proposed Cure Plan without the consent of CHLP.

4. CHLP Funding Commitment. Provided the Trustee has timely sought confirmation of the Cure Plan, CHLP irrevocably commits that not less than fifteen (15) days prior to the date scheduled for the hearing on the Cure Plan in the Bankruptcy Case, CHLP shall establish an interest-bearing deposit account at City National Bank (the "Joint Account"), into which CHLP shall deposit cash in an amount not less than the \$18,500,000.00 Additional Capital Contribution. The Joint Account shall require the signatures of both (i) Kenneth L. Templeton on behalf of the general partner of CHLP, and (ii) the Trustee for any withdrawals, and shall otherwise be subject to the conditions for the establishment and maintenance of a joint account required by City National Bank. Funds in the Joint Account and all interest earned thereon shall be and remain the sole property of CHLP at all times while held in the Joint Account, and to the extent interest accrued in the Joint Account causes the balance of the Joint Account to exceed \$18,500,000, CHLP shall be entitled to request, and within one (1) business day of such request, the Trustee shall provide, the Trustee's signature on any document authorizing the transfer of such excess to CHLP or its designee.

5. CHLP Release Event. The Additional Capital Contribution shall remain in the Joint Account, and CHLP shall have no right to request the return of its funds from the Joint Account until the earliest to occur of: (i) April 29, 2016, (ii) the date on which the Commitment Letter expires (absent an extension by the Bank) or is otherwise terminated by the Bank, (iii) the date the Trustee amends the proposed Cure Plan without CHLP's consent, (iv) the date the Trustee withdraws the Cure Plan, (v) the date on which any attachment of the Joint Account is sought by any person or entity, (vi) the date of entry of an order denying confirmation of the Cure Plan, or (vii) the date on which a stay precluding effectuation of the Cure Plan is issued by a court of competent jurisdiction (the "CHLP Release Event").

6. Return of Funds to CHLP. Upon the occurrence of the CHLP Release Event, CHLP shall have the absolute right to request, and the Trustee shall provide within one (1) business day of such request, the Trustee's signature approving the return of all funds in the Joint Account to CHLP or its designee, without conditions or limitations, including but not limited to any payment of Trustee's fees or other administrative expenses of Debtor.

7. Transfer of Funds to Trustee. In the event the CHLP Release Event has not occurred before the date which is seventeen (17) days following entry of a final order confirming the Cure Plan (the "Confirmation Order") (and provided no stay precluding effectuation of the Cure Plan is then in effect), the Trustee shall have the absolute right to request, and CHLP shall

provide within one (1) business day of such request, CHLP's signature approving the release of such portion of the Additional Capital Contribution as Trustee determines is reasonably required to effectuate the Cure Plan (including a reasonable cushion) from the Joint Account to the trust account under the sole control of the Trustee, with the remainder then released from the Joint Account to CHLP. . The Trustee shall thereafter make disbursements to the extent necessary to make payments to effectuate the Cure Plan on its effective date. Any excess funds remaining from the Additional Capital Contribution which are not necessary to effectuate the Cure Plan shall be returned to CHLP in accordance with the confirmed Plan of Reorganization.

8. Guarantor Action and Adversary Proceedings. CHLP acknowledges the existence of an action commenced on March 25, 2011, by AG, which lawsuit remains pending in the Eighth Judicial District Court for Clark County, Nevada, as Case No. A-11-637829-C (the "**Guarantor State Court Action**") and the adversary proceeding filed in connection with the Bankruptcy Case, No. 14-01105-MKN (the "**Adversary Proceeding**"). CHLP's offer to contribute an amount up to the Additional Capital Contribution to effectuate the Cure Plan is not subject to, or contingent upon, the prior resolution of the Guarantor State Court Action or the Adversary Proceeding.

9. No Third Party Beneficiaries. This Funding Agreement shall not confer any rights or remedies upon any person other than the Trustee and CHLP. No creditor in the Bankruptcy Case is an intended third party beneficiary to this Funding Agreement, and Debtor shall have no right, title or interest in or to the Additional Capital Contributions and no funds in the Joint Account shall be considered property of the Debtor unless and until transferred to the Trustee in accordance with the provisions hereof.

10. No Offsets. Neither Trustee nor any other person or entity shall have the right to offset against sums held in the Joint Account for any purpose.

11. Succession and Assignment. No party may assign either this Funding Agreement or any of its rights, interests, or obligations hereunder without the prior written approval of the other party hereto.

12. Applicable Law; Attorneys' Fees. Nevada law shall govern the validity, construction, interpretation and effect of this Funding Agreement without regard to doctrines or rules of choice or conflict of laws. In the event of any dispute between Trustee and CHLP arising from this Funding Agreement, the prevailing party shall be entitled to recover its reasonable attorneys' fees and costs.

13. Headings. The paragraph headings of this Funding Agreement are for convenience or reference only and do not form a part of the terms and conditions of this Funding Agreement or give full notice thereof.

14. Counterparts; Delivery of Signatures. This Funding Agreement may be executed in counterparts, each of which, when taken together, shall form a fully-executed agreement. Signatures delivered electronically and/or via facsimile shall be deemed originals for all purposes hereof.

15. Entire Agreement. This Funding Agreement contains the entire understanding of the parties with respect to the subject matter hereof and may not be amended or modified in any manner except by a written agreement duly executed by the party to be charged.

16. Notices. All notices, instructions, requests, objections, or other notifications of any kind, required or permitted under this Funding Agreement shall be in writing and shall be given by registered or certified mail or any other reasonable means (including personal delivery, telefax or reputable express courier or electronic mail to the party to receive notice at the following addresses or at such other address as any party may, by notice, direct.

If to the Trustee

Samuel R. Maizel, Trustee
c/o Dentons US LLP
601 S. Figueroa Street, Suite 2500
Los Angeles, CA 90017-5704
Telephone: 213.892.2910
Facsimile: 213.623.9924
Email: samuel.maizel@dentons.com

With a copy to:

John A. Moe II
Dentons US LLP
300 S. Grand Avenue, Suite 1400
Los Angeles, CA 90071-3124
Telephone: 213.892.4905
Facsimile: 213.623.9924
Email: john.moe@dentons.com

If to CHLP:

Carefree Holdings Limited Partnership
c/o Kenneth L. Templeton
3311 South Rainbow Boulevard, Suite 225
Las Vegas, Nevada 89146
Telephone: 702.876.8300 Extension 133
Facsimile: 702.227.5276

With a copy to:

Schnader Harrison Segal & Lewis LLP
Attention: Christopher H. Hart, Esq.
650 California Street, Suite 1900
San Francisco, California 94108
Telephone: 415.364.6700
Facsimile: 415.364.6785
Email: CHart@Schnader.com

All notices given by registered or certified mail shall be deemed as given on the delivery date shown on the return mail receipt. All notices given in any other manner shall be deemed as given when received; provided that notices given by electronic mail shall be confirmed by hard copies sent the same day by regular mail or express courier and, if so confirmed, the date of notice shall be the date on which the electronic mail was received; and further provided that

telephone numbers are provided for convenience only and notices may not be delivered hereunder telephonically.

[signature page follows]

IN WITNESS WHEREOF, intending to be legally bound hereby, the parties have executed this Guarantor Commitment as of the Agreement Date.

GUARANTORS:

Kenneth L. Templeton, individually

Kenneth L. Templeton, as Trustee of the Kenneth L. Templeton Family Trust

Kenneth L. Templeton, as Trustee of the Ken II Revocable Trust

CAREFREE HOLDINGS LIMITED PARTNERSHIP, a Nevada limited partnership,

By: MLPGP, L.L.C., a Nevada limited liability company, General Partner

By: _____
Kenneth L. Templeton, Manager

MLPGP, L.L.C., a Nevada limited liability company

By: _____
Kenneth L. Templeton, Manager

N.S.M. L.L.C., a Nevada limited liability company

By: _____
Kenneth L. Templeton, Manager

TRUSTEE:

SR Maizel
Samuel R. Maizel, as duly appointed Chapter 11 Trustee

EXHIBIT "1"
CURE PLAN

[TO BE ATTACHED]