

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

IN RE:	§	CASE NO. 11-30210-BJH-11
	§	
FRE REAL ESTATE, INC.,	§	
f/k/a TCI PARK WEST II, INC.,	§	CHAPTER 11
	§	
Debtor.	§	

**JOINT STIPULATION BETWEEN THE DEBTOR AND CERTAIN LENDERS
RELATING TO MOTIONS TO DISMISS**

This is a Joint Stipulation (the "Joint Stipulation") Between the Debtor and Certain Lenders Relating to Motions to Dismiss and Joinders therein (collectively, the "Motions to Dismiss"), filed by Wells Fargo Capital Finance, Inc. ("Wells Fargo"), Petra CRE CDO 2007-1, Ltd. ("Petra"), State Bank of Texas, American Bank of Commerce ("ABC"), RMR Investments, Inc. ("RMR"), First Bank & Trust Co. and The Bank of Weatherford (collectively, "First Bank & Trust"), and Armed Forces Bank, N.A. successor by merger to Bank Midwest, N.A. ("Armed Forces") (collectively, the "Lenders") and Sidney Wicks Revocable Trust Co. ("Wicks"). (The Lenders and Wicks shall be collectively referred to as the "Moving Parties"). The Debtor, FRE Real Estate, Inc. (the "Debtor"), and the Moving Parties shall be referred to herein as the "Parties". This Joint Stipulation is for the Court's consideration in connection with hearing on the Motions to Dismiss, and is for the purpose of this Bankruptcy Case only, and shall not be used by any of the Parties in any proceedings outside the Bankruptcy Court or involving parties other than the Debtor.

A. The Parties stipulate to the authenticity and admissibility of the following documents and to each of the factual recitations set forth below. Nothing herein shall constitute an acknowledgment or admission by any party as to the validity, extent or priority of any lien.

I. The Wells Fargo Real Estate Collateral Transferred Subject to the Alleged Liens of Wells Fargo

1. TCI Texas is a Nevada limited liability company, and it is the borrower under a certain credit facility entered into with Wells Fargo in November, 2006. As of December 23, 2010, the managers, members, and officers of TCI Texas were those individuals set forth on the attached Wells Fargo Exhibit "1". As of the Petition Date, the managers, members, and officers of TCI Texas were those individuals set forth on the attached Wells Fargo Exhibit "2".
2. The Debtor filed its voluntary petition in bankruptcy under chapter 11 of the Bankruptcy Code on January 4, 2011 (the "Petition Date"). As of December 23, 2010, the officers and directors of the Debtor were those individuals set forth on the attached Wells Fargo Exhibit "1". As of the Petition Date, the officers and directors of the Debtor were those individuals set forth on the attached Wells Fargo Exhibit "2".
3. ABCLD Properties, LLC ("ABCLD Properties"), a Nevada limited liability company, is the owner of all of the stock of the Debtor. As of December 23, 2010, the managers, members, and officers of ABCLD Properties were those individuals set forth on the attached Wells Fargo Exhibit "1". As of the Petition Date, the managers, members, and officers of ABCLD Properties were those individuals set forth on the attached Wells Fargo Exhibit "2".
4. ABCLD Income, LLC ("ABCLD Income") is a Nevada limited liability company. ABCLD Income is an affiliate of ABCLD Properties. Effective December 27, 2010, ABCLD Income became the owner of TCI Texas. Prior to December 23, 2010, the managers, members, and officers of ABCLD Income were those individuals set forth on the attached Wells Fargo Exhibit "1". As of the Petition Date, the managers, members, and officers of ABCLD Income were those individuals set forth on the attached Wells Fargo Exhibit "2".
5. As of the Petition Date, each of (i) the Debtor, (ii) ABCLD Income, (iii) ABCLD Properties, and (iv) TCI Texas are affiliates, as defined under the Bankruptcy Code.
6. As of December 23, 2010, immediately preceding TCI Texas' transfer of assets to FRE, TCI Texas was indebted to Wells Fargo under that certain Credit Agreement, dated as of November 1, 2006, as amended (as amended, restated, supplemented or modified through the date hereof, the "Wells Fargo Credit Agreement"). The Debtor has acknowledged in its schedules that the indebtedness owed to Wells

Fargo is in the approximate amount of \$8,362,000. A true and correct copy of the Wells Fargo Credit Agreement has been admitted into evidence as Wells Fargo Exhibit "5".¹

7. Transcontinental Realty Investors, Inc., a Nevada corporation ("Transcontinental"), executed and delivered that certain General Continuing Guaranty, dated as of November 1, 2006 (the "TRI Guaranty 1"), in favor of Wells Fargo with respect to the Wells Fargo Credit Agreement. A true and correct copy of the TRI Guaranty 1 has been admitted into evidence as Wells Fargo Exhibit "6".
8. As of December 23, 2010, the officers and directors of Transcontinental were those individuals set forth on the attached Wells Fargo Exhibit "1". As of the Petition Date, the officers and directors of Transcontinental were those individuals set forth on the attached Wells Fargo Exhibit "2".
9. Pursuant to the terms and conditions of the Wells Fargo Credit Agreement and various deeds of trust (collectively, the "Wells Fargo Deeds of Trust"), executed by TCI Texas in favor of Wells Fargo, TCI Texas granted to Wells Fargo first-priority deed of trust liens on certain properties that served as collateral for the Wells Fargo Credit Agreement (the "Wells Fargo Real Estate Collateral") substantially described on the attached Wells Fargo Exhibit "7".²
10. The Debtor stipulates that pursuant to the Wells Fargo Credit Agreement and the Wells Fargo Deeds of Trust, TCI Texas was prohibited from transferring the Wells Fargo Real Estate Collateral to any third parties without Wells Fargo's prior written consent. The Debtor denies that the transfer and assumption of indebtedness by the Debtor in any way harmed Wells Fargo or any other creditor, or constitute bad faith or any effort to hinder, delay or defraud Wells Fargo or any other creditor, or constitute grounds for dismissal of this bankruptcy case. In contrast, the Moving Parties maintain that the transfer and assumption of indebtedness by the Debtor (i) harmed Wells Fargo and the other creditors; (ii) constitute bad faith; (iii) evidence the Debtor's effort to hinder, delay or defraud Wells Fargo and the other creditors; or (iv) constitute grounds for dismissal of this bankruptcy case.
11. The Debtor stipulates that TCI Texas did not seek or receive Wells Fargo's prior written consent to transfer the Wells Fargo Real Estate Collateral to any third parties. The Debtor denies that the transfer or failure to obtain such consent in any way harmed Wells Fargo or any other creditor in light of the Debtor's receipt

¹ Each of the exhibits referenced herein, save and except Exhibits "1," "2," and "7," have been proffered to the Court by Wells Fargo and admitted into evidence as Wells Fargo Exhibits "5," "6," and "8" through "165". Exhibits "1" and "2" have been subsequently compiled by the Debtor and are attached hereto.

² The acreage amounts listed on Exhibit "7" are approximate amounts, and the parties stipulate that the correct acreage amounts are reflected in the respective Warranty Deeds and Deeds of Trust associated with each tract.

of the Wells Fargo Real Estate Collateral and assumption of the Wells Fargo indebtedness, or constitutes bad faith or any effort to hinder, delay or defraud Wells Fargo or any other creditor, or constitutes grounds for dismissal of this bankruptcy case. In contrast, the Moving Parties maintain that the transfer of the Wells Fargo Real Estate Collateral and assumption of the Wells Fargo indebtedness by the Debtor without Wells Fargo's consent (i) harmed Wells Fargo and the other creditors; (ii) constitute bad faith; (iii) evidence the Debtor's effort to hinder, delay or defraud Wells Fargo and the other creditors; or (iv) constitute grounds for dismissal of this bankruptcy case.

12. As of the Petition Date, the total amount of unsecured trade debt previously owed by TCI Texas and assumed by the Debtor was \$82,970.61, as set forth on Wells Fargo Exhibit "8".
13. As of the Petition Date, the total amount of tax lien debt previously owed by TCI Texas and assumed by the Debtor was \$179,032.59, as set forth on the Exhibit [Docket No. 100-1] to the Debtor's Schedule D – Creditors Holding Secured Claims, filed on January 28, 2011 at Docket No. 100.
14. The Debtor stipulates that TCI Texas does not recall whether or not it informed Wells Fargo of its intent to seek or obtain financing to pay its property taxes. The Debtor denies that the transfer and assumption of indebtedness by the Debtor in any way harmed Wells Fargo or any other creditor, or constitute bad faith or any effort to hinder, delay or defraud Wells Fargo or any other creditor, or constitute grounds for dismissal of this bankruptcy case. In contrast, the Moving Parties maintain that the transfer and assumption of indebtedness by the Debtor (i) harmed Wells Fargo and the other creditors; (ii) constitute bad faith; (iii) evidence the Debtor's effort to hinder, delay or defraud Wells Fargo and the other creditors; or (iv) constitute grounds for dismissal of this bankruptcy case.
15. The Debtor stipulates that TCI Texas did not receive Wells Fargo's consent for the taxing authorities to assign their liens to Propel Financial Services (or its successors in interest) (individually and collectively, "Propel"). The Debtor denies that the transfer or failure to obtain such consent in any way harmed Wells Fargo or any other creditor in light of the Debtor's receipt of the Wells Fargo Real Estate Collateral and assumption of the Wells Fargo indebtedness, or constitutes bad faith or any effort to hinder, delay or defraud Wells Fargo or any other creditor, or constitutes grounds for dismissal of this bankruptcy case. In contrast, the Moving Parties maintain that the assignment of liens by the Debtor without Wells Fargo's consent (i) harmed Wells Fargo and the other creditors; (ii) constitute bad faith; (iii) evidence the Debtor's effort to hinder, delay or defraud Wells Fargo and the other creditors; or (iv) constitute grounds for dismissal of this bankruptcy case.
16. Effective December 23, 2010, pursuant to a certain Purchase Agreement (the "TCI Texas/FRE Purchase Agreement"), TCI Texas, as seller, sold to the Debtor, as buyer, for an aggregate purchase price of \$24,050,000.00, the Wells Fargo Real

Estate Collateral. A true and correct copy of the TCI Texas/FRE Purchase Agreement has been admitted into evidence as Wells Fargo Exhibit "10".

17. The purchase price included the Debtor's assumption of approximately \$8,561,670.69 of mortgage debt³ of Wells Fargo and all other trade debt of TCI Texas related to the Wells Fargo Real Estate Collateral. The balance of the purchase price was evidenced by the Debtor's execution and delivery of an unsecured Promissory Note, dated as of December 23, 2010, in the original principal amount of \$15,488,329.31, executed by the Debtor, as maker, and TCI Texas, as payee (the "TCI Texas Note"). A true and correct copy of the TCI Texas Note has been admitted into evidence as Wells Fargo Exhibit "11".
18. Effective December 23, 2010, TCI Texas executed certain General Warranty Deeds (the "TCI Texas Warranty Deeds"), wherein TCI Texas deeded all of its rights, titles, and interests in and to the Wells Fargo Real Estate Collateral to the Debtor. One of the two General Warranty Deeds was recorded in Dallas County, Texas, on January 4, 2011, as Instrument Number 201100001406. In addition, TCI Texas executed a certain General Warranty Deed, which was recorded in Kaufman County, Texas on January 4, 2011, as Document Number 20110000061, in Volume 3881, Page 97. True and correct copies of the TCI Texas Warranty Deeds have been admitted, collectively, into evidence as Wells Fargo Exhibit "12".
19. Effective December 27, 2010, pursuant to a certain Distribution Agreement (the "TCI Texas Distribution Agreement"), TCI Texas distributed to its parent company at the time, Transcontinental, the TCI Texas Note. An allonge in favor of Transcontinental was executed by TCI Texas and attached to the TCI Note on the same date. True and correct copies of the TCI Texas Distribution Agreement and the allonge have been admitted, collectively, into evidence as Wells Fargo Exhibit "13".
20. The Debtor stipulates that, as of December 23, 2010, (i) TCI Texas was in default of the Wells Fargo Credit Agreement, and (ii) TCI Texas and Wells Fargo had been in negotiations with respect to the workout of the indebtedness under the Wells Fargo Credit Agreement for several years before, including discussions with respect to agreed release prices, and marketing efforts. Wells Fargo had not posted the Wells Fargo Real Estate Collateral for foreclosure prior to TCI Texas' transfer of the Wells Fargo Real Estate Collateral to the Debtor, but Wells Fargo had sent out several demand letters and notices of default to TCI Texas and Transcontinental, the party who signed the TRI Guaranty 1 referenced in Paragraph 7 above.

³ In each instance where the Debtor purchased property pursuant to the Purchase Agreements referenced in the Stipulation, the Debtor assumed all mortgage debt, tax debt and trade debt associated with the property that was purchased by the Debtor.

21. Effective December 27, 2010, pursuant to several Purchase Agreements (the "Transcontinental Purchase Agreements"), Transcontinental sold to ABCLD Income, all of its ownership interests or capital stock, as applicable, in each of the following entities –
- (a) TCI Texas;
 - (b) Thornwood Land and Cattle, LLC ("Thornwood");
 - (c) T Sorrento, Inc. ("T Sorrento");
 - (d) TCI Hunters Glen, Inc. ("TCI Hunters Glen");
 - (e) Coventry Pointe, Inc. ("Coventry Pointe");
 - (f) TCI Bridgewood, LLC ("TCI Bridgewood");
 - (g) TCI Adams, LLC ("TCI Adams");
 - (h) TCI Pantaze, LLC ("TCI Pantaze");
 - (i) Transcontinental Westgrove, Inc. ("Transcontinental Westgrove");
 - (j) TCI 109 Beltline, Inc. ("TCI 109 Beltline"); and
 - (k) TCI Ridgepoint, LLC ("TCI Ridgepoint").

In each case, the documents purport that ABCLD Income promised to pay \$1,000.00 cash at closing to Transcontinental in consideration for the ownership interests or capital stock, as applicable, acquired by ABCLD Income pursuant to the Purchase Agreements referenced above. True and correct copies of the Transcontinental Purchase Agreements have been admitted, collectively, into evidence as Wells Fargo Exhibit "14".

22. The Debtor stipulates that the Wells Fargo Credit Agreement prohibits the transfer of ownership interests in TCI Texas to any third party without Wells Fargo's prior written consent. The Debtor denies that the transfer or failure to obtain such consent in any way harmed Wells Fargo or any other creditor in light of the Debtor's receipt of the Wells Fargo Real Estate Collateral and assumption of the Wells Fargo indebtedness, or constitutes bad faith or any effort to hinder, delay or defraud Wells Fargo or any other creditor, or constitutes grounds for dismissal of this bankruptcy case. In contrast, the Moving Parties maintain that the transfer or failure to obtain such consent (i) harmed Wells Fargo and the other creditors; (ii) constitutes bad faith; (iii) evidences the Debtor's effort to hinder, delay or defraud Wells Fargo and the other creditors; or (iv) constitutes grounds for dismissal of this bankruptcy case.

23. The Debtor stipulates that Wells Fargo never gave prior written consent to the transfer of the ownership interests in TCI Texas to ABCLD Income. The Debtor denies that the transfer or failure to obtain such consent in any way harmed Wells Fargo or any other creditor in light of the Debtor's receipt of the Wells Fargo Real Estate Collateral and assumption of the Wells Fargo indebtedness, or constitutes bad faith or any effort to hinder, delay or defraud Wells Fargo or any other creditor, or constitutes grounds for dismissal of this bankruptcy case. In contrast, the Moving Parties maintain that the transfer or failure to obtain such consent (i) harmed Wells Fargo and the other creditors; (ii) constitutes bad faith; (iii) evidences the Debtor's effort to hinder, delay or defraud Wells Fargo and the other creditors; or (iv) constitutes grounds for dismissal of this bankruptcy case.
24. Effective December 22, 2010, ABCLD Properties executed a certain purchase agreement ("ABCLD Properties Purchase Agreement 1"), whereby ABCLD Properties purchased from Transcontinental, all of Transcontinental's stock in the Debtor, for \$67,000,000.00. The purchase price included ABCLD Properties' (i) assumption of approximately \$61,700,000.00⁴ of mortgage and trade and other debt for which the Debtor was responsible; and (ii) the execution and delivery by ABCLD Properties of a certain Promissory Note, dated as of December 22, 2010, in the original principal amount of \$5,300,000.00, with ABCLD Properties, as maker, and Transcontinental, as payee. Transcontinental executed a stock power with certificate in favor of ABCLD Properties on the same date. True and correct copies of the ABCLD Properties Purchase Agreement, the Promissory Note as referenced above, and the Stock Power with certificate have been admitted into evidence as Wells Fargo Exhibits "16" through "18".
25. The Debtor and Wells Fargo stipulate that following the filing of Wells Fargo's Motion to Dismiss, Wells Fargo obtained an appraisal of the Wells Fargo Real Property Collateral reflecting an appraised value as of the Petition Date, a true and correct copy of which is attached hereto as Wells Fargo Exhibit "191". The Debtor and Wells Fargo further stipulate that Wells Fargo Exhibit "191" is admissible as evidence that Wells Fargo has an appraisal in its files reflecting a value of approximately \$8.8 million⁵ as of the Petition Date for the Wells Fargo Real Property Collateral, in contrast to Wells Fargo's November 2009 appraisals, which reflect an approximate aggregate value of \$13.5 million for the Wells Fargo Real Property Collateral, which have been admitted into evidence as Debtor's

⁴ The numbers contained in this Joint Stipulation are approximations based on the Debtor's documents and records; the Promissory Notes referenced herein are subject to adjustment pursuant to their express terms.

⁵ There are, however, liens in favor of the taxing authorities as follows: 2009 ad valorem taxes (assigned to Propel) in the amount of \$233,338.13; 2010 ad valorem taxes in the approximate amount of \$179,032.59; and 2011 ad valorem taxes in an amount yet to be determined but which Wells Fargo maintains may be in the approximate amount of \$175,000, which attach on the first day of the year pursuant to the Texas Tax Code. To the extent the above are ad valorem tax liens as Wells Fargo understands them to be, Wells Fargo maintains that each of these liens in favor of the taxing authorities are senior to the Wells Fargo secured debt. The \$8.8 million aggregate value as of the Petition Date exceeds the Wells Fargo mortgage lien debt.

Exhibits "P1" through "P3". The Debtor disputes the value of the Wells Fargo Real Property Collateral as reflected in Wells Fargo Exhibit "191".

26. Wells Fargo contends, but the Debtor does not admit, that the statements sent by Wells Fargo to the Debtor, as summarized on Debtor's Exhibit "O," are computer generated to contain references to values that reflect appraised values of the Wells Fargo Real Property Collateral as of November 2009, and do not contain references to any subsequent valuations of the Wells Fargo Real Property Collateral. Wells Fargo maintains, but the Debtor denies, that the value of the Wells Fargo Real Property Collateral as of the Petition Date is \$8.8 million.

II.A. Transfers of Real Estate From Transcontinental to the Debtor, Subject to the Alleged Liens of: (i) Access 1st Capital, (ii) Propel Financial Services or its successors in interest, (iii) Nexbank, and (iv) RMR Investments, Inc.

27. Effective December 27, 2010, ABCLD Properties executed a certain purchase agreement ("ABCLD Properties Purchase Agreement 2"), whereby ABCLD Properties purchased from Transcontinental Transcontinental's ninety percent (90%) limited partnership interest in Westgrove Air Plaza, Ltd., a Texas limited partnership ("Westgrove Air Plaza"), for \$1,000.00 cash, to be paid at closing. Transcontinental executed an assignment of limited partnership interest in favor of ABCLD Properties on the same date. True and correct copies of ABCLD Properties Purchase Agreement 2 and the assignment have been admitted into evidence as Wells Fargo Exhibits "19" and "20," respectively.
28. Effective December 23, 2010, pursuant to several Purchase Agreements, Transcontinental sold to the Debtor for an approximate aggregate purchase price of \$18,540,000 the following properties, with the applicable purchase prices set forth below:
- (a) Approximately 1.31 acres of land in Dallas, Dallas County, Texas, **commonly known as the Ackerley Land** (\$150,000.00), subject to the alleged liens and indebtedness owing to Access 1st Capital ("Access") and Propel;
 - (b) A 177,805 square foot building **commonly known as the Thermalloy Building and the 7.123 acres of land where it is located in Farmers Branch**, Dallas County, Texas (\$1,790,000.00), subject to the alleged liens and indebtedness owing to Nexbank and Propel;
 - (c) Approximately 18.56 acres of land in Farmers Branch, Dallas County, Texas, **commonly known as Hollywood Casino/Mira Lago Land**, subject to the alleged liens and indebtedness owing to RMR;
 - (d) Approximately 87.6249 acres of land in Dallas, Dallas County, Texas, **commonly known as Wilmer 88 Land**, subject to the alleged liens and indebtedness owing to RMR;

- (e) Approximately 10.59 acres of land in Dallas, Dallas County, Texas, **commonly known as Dominion Land**, subject to the alleged liens and indebtedness owing to RMR;
- (f) Approximately 23.76 acres of land in Farmers Branch, Dallas County, Texas, **commonly known as Valley Branch Land**, subject to the alleged liens and indebtedness owing to RMR;
- (g) Approximately 24.91 acres of land in Fort Worth, Tarrant County, Texas, **commonly known as Crowley Land**, subject to the alleged liens and indebtedness owing to RMR; and
- (h) Approximately 30.071 acres of land in two (2) tracts in Fort Worth, Tarrant County, Texas, **known as Creekside Land**, subject to the alleged liens and indebtedness owing to RMR; (items (c) through (h) had an aggregate purchase price of \$16,600,000.00).

True and correct copies of the Transcontinental Purchase Agreements, evidencing the transfers of such real estate (the "Transcontinental Real Estate") have been admitted, collectively, into evidence as Wells Fargo Exhibit "21".

- 29. In each case, (a) the Debtor assumed the mortgage debt and any tax and trade debt of the seller associated with each property and gave a note payable to the seller for the balance of the purchase price thereof, and (b) Transcontinental conveyed all of Transcontinental's rights, titles and interests to the same to the Debtor. No cash exchanged hands. True and correct copies of the notes referenced above have been admitted, collectively, into evidence as Wells Fargo Exhibit "22".
- 30. As of the Petition Date, the total amount of unsecured trade debt previously owed by Transcontinental with respect to the properties referenced in Paragraph 28 above and assumed by the Debtor was \$155,841.80, as set forth on Wells Fargo Exhibit "8".
- 31. The Debtor stipulates that the loan documents between Transcontinental and each of the above-referenced secured lenders prohibit the transfer of the respective assets securing each of the lenders' loans to any third party without the prior written consent of the respective secured lenders. The Debtor denies that the transfer and assumption of indebtedness by the Debtor in any way harmed any of the secured lenders or any other creditor, or constitute bad faith or any effort to hinder, delay or defraud the secured lenders or any other creditor, or constitute grounds for dismissal of this bankruptcy case. In contrast, the Moving Parties maintain that the transfer and assumption of indebtedness by the Debtor (i) harmed the secured lenders and the other creditors; (ii) constitute bad faith; (iii) evidence the Debtor's effort to hinder, delay or defraud Wells Fargo and the other creditors; or (iv) constitute grounds for dismissal of this bankruptcy case.
- 32. The Debtor stipulates that the Debtor and Transcontinental did not seek or receive prior written consent from the applicable secured lenders to transfer the

Transcontinental Real Estate to any third parties. The Debtor denies that the transfers and bankruptcy were without notice to the applicable secured lenders, and the Debtor denies that the transfer and assumption of indebtedness by the Debtor in any way harmed the applicable secured lenders or any other creditor, or constitute bad faith or any effort to hinder, delay or defraud the secured lenders or any other creditor, or constitute grounds for dismissal of this bankruptcy case. In contrast, the Moving Parties maintain that the transfers and bankruptcy were without notice to the applicable secured parties, and the assumption of indebtedness by the Debtor (i) harmed the applicable secured lenders and the other creditors; (ii) constitute bad faith; (iii) evidence the Debtor's effort to hinder, delay or defraud the secured lenders and the other creditors; or (iv) constitute grounds for dismissal of this bankruptcy case.

33. The Debtor's Statement of Financial Affairs lists certain of the properties that were posted for foreclosure on January 4, 2011, but does not list properties that RMR contends were posted for foreclosure on January 4, 2011.

II.B. Transfers of Real Estate From Transcontinental to the Debtor, Subject to the Alleged Liens of: (i) Propel Financial Services and (ii) Armed Forces Bank

34. Effective as of December 23, 2010, pursuant to a Purchase Agreement, the Debtor purchased from Transcontinental approximately 27.11 acres of land in the Las Colinas area of Irving, Dallas County, Texas, **commonly known as Kinwest Tract** (the "Kinwest Tract"), subject to the alleged liens and indebtedness of Armed Forces and Propel, for a purchase price of \$4,100,000.00. A true and correct copy of that Purchase Agreement is included in Wells Fargo Exhibit "21".
35. As of the Petition Date, the total amount of unsecured trade debt previously owed by Transcontinental in connection with the Kinwest Tract and assumed by the Debtor was \$0.00⁶, as set forth on Wells Fargo Exhibit "8".
36. The purchase price included the Debtor's (i) assumption of the mortgage debt and property tax loan encumbering the Kinwest Tract with an approximate balance of approximately \$4,070,566.70, (ii) all of the trade debt of Transcontinental related to the Kinwest Tract, and (iii) a Promissory Note, dated December 23, 2010, in the original principal amount of \$29,443.30, executed by the Debtor, as maker, and Transcontinental, as payee (the "Transcontinental Kinwest Note"). A true and correct copy of the Transcontinental Kinwest Note is included in Wells Fargo Exhibit "22-A".
37. Effective as of December 23, 2010, Transcontinental executed a General Warranty Deed, wherein Transcontinental deeded all of its right, title, and interest in and to the Kinwest Tract to the Debtor. That General Warranty Deed was recorded in

⁶ These numbers are based on the Debtor's books and records and have been agreed to for the purposes of this hearing. Armed Forces reserves the right to challenge these numbers at a later date.

Dallas County, Texas, on January 4, 2011, as Document Number 201100001382, and covered the Kinwest Tract. A true and correct copy of that General Warranty Deed has been admitted into evidence as Wells Fargo Exhibit "22-B".

38. The Debtor stipulates that the loan documents between Transcontinental and Armed Forces Bank relating to the Kinwest Tract prohibit the transfer of the Kinwest Tract to any third party without Armed Forces' prior written consent. The Debtor denies that the transfers and bankruptcy were without notice to the applicable secured lenders, and the Debtor denies that the transfer and assumption of indebtedness by the Debtor in any way harmed the applicable secured lenders or any other creditor, or constitute bad faith or any effort to hinder, delay or defraud the secured lenders or any other creditor, or constitute grounds for dismissal of this bankruptcy case. In contrast, the Moving Parties maintain that the transfers and bankruptcy were without notice to the applicable secured parties, and the assumption of indebtedness by the Debtor (i) harmed the applicable secured lenders and the other creditors; (ii) constitute bad faith; (iii) evidence the Debtor's effort to hinder, delay or defraud the secured lenders and the other creditors; or (iv) constitute grounds for dismissal of this bankruptcy case.
39. The Debtor stipulates that Transcontinental did not seek or receive the prior written consent from Armed Forces to transfer the Kinwest Tract to any third parties. The Debtor denies that the transfers and bankruptcy were without notice to the applicable secured lenders, and the Debtor denies that the transfer and assumption of indebtedness by the Debtor in any way harmed the applicable secured lenders or any other creditor, or constitute bad faith or any effort to hinder, delay or defraud the secured lenders or any other creditor, or constitute grounds for dismissal of this bankruptcy case. In contrast, the Moving Parties maintain that the transfers and bankruptcy were without notice to the applicable secured parties, and the assumption of indebtedness by the Debtor (i) harmed the applicable secured lenders and the other creditors; (ii) constitute bad faith; (iii) evidence the Debtor's effort to hinder, delay or defraud the secured lenders and the other creditors; or (iv) constitute grounds for dismissal of this bankruptcy case.

III. Transfer of Real Estate From TCI Adams to the Debtor, Subject to the Alleged Liens of Access 1st Capital

40. As of December 23, 2010, the managers, members, and officers of TCI Adams were those individuals set forth on the attached Wells Fargo Exhibit "1". As of the Petition Date, the managers, members, and officers of TCI Adams were those individuals set forth on the attached Wells Fargo Exhibit "2".
41. As of the Petition Date, the total amount of unsecured trade debt previously owed by TCI Adams and assumed by the Debtor was \$8,642.85, as set forth on Wells Fargo Exhibit "8".

42. Effective December 23, 2010, pursuant to a certain Purchase Agreement, the Debtor purchased from TCI Adams, approximately 193.731 acres of land in Kaufman County, Texas, **commonly known as the Kaufman Adams Land** (the "TCI Adams Property"), subject to the alleged liens and indebtedness of Access 1st Capital ("Access") for a purchase price of \$825,000.00. A true and correct copy of the Purchase Agreement has been admitted into evidence as Wells Fargo Exhibit "29".
43. The \$825,000.00 purchase price for the TCI Adams Property included the Debtor's (i) assumption of approximately \$359,352.00 of mortgage debt and all of the trade debt of TCI Adams related to the TCI Adams Property, and (ii) execution and delivery to TCI Adams of a certain Promissory Note, dated as of December 23, 2010 (the "TCI Adams Note"), in the original principal amount of \$465,648.00, executed by the Debtor, as maker, and TCI Adams, as payee. A true and correct copy of the TCI Adams Note has been admitted into evidence as Wells Fargo Exhibit "30".
44. Effective December 23, 2010, TCI Adams executed a General Warranty Deed, wherein TCI Adams deeded all of its right, title, and interest in and to the TCI Adams Property to the Debtor. Such General Warranty Deed was recorded in Kaufman County, Texas, on December 30, 2010, as Document Number 2010-0020755, and covered the TCI Adams Property. A true and correct copy of the General Warranty Deed has been admitted into evidence as Wells Fargo Exhibit "31".
45. Effective December 27, 2010, pursuant to a certain Distribution Agreement, TCI Adams distributed the TCI Adams Note to Transcontinental (the parent of TCI Adams). An allonge in favor of Transcontinental was executed by TCI Adams and attached to the TCI Adams Note on the same date. True and correct copies of the Distribution Agreement and the allonge have been admitted, collectively, into evidence as Wells Fargo Exhibit "32".
46. The Debtor stipulates that the loan documents between TCI Adams and Access prohibit the transfer of the TCI Adams Property to any third party without Access's prior written consent. The Debtor denies that the transfers and bankruptcy were without notice to the applicable secured lenders, and the Debtor denies that the transfer and assumption of indebtedness by the Debtor in any way harmed the applicable secured lenders or any other creditor, or constitute bad faith or any effort to hinder, delay or defraud the secured lenders or any other creditor, or constitute grounds for dismissal of this bankruptcy case. In contrast, the Moving Parties maintain that the transfers and bankruptcy were without notice to the applicable secured parties, and the assumption of indebtedness by the Debtor (i) harmed the applicable secured lenders and the other creditors; (ii) constitute bad faith; (iii) evidence the Debtor's effort to hinder, delay or defraud the secured lenders and the other creditors; or (iv) constitute grounds for dismissal of this bankruptcy case.

47. The Debtor stipulates that TCI Adams did not seek or receive the prior written consent from Access to transfer the TCI Adams Property to any third parties. The Debtor denies that the transfers and bankruptcy were without notice to the applicable secured lenders, and the Debtor denies that the transfer and assumption of indebtedness by the Debtor in any way harmed the applicable secured lenders or any other creditor, or constitute bad faith or any effort to hinder, delay or defraud the secured lenders or any other creditor, or constitute grounds for dismissal of this bankruptcy case. In contrast, the Moving Parties maintain that the transfers and bankruptcy were without notice to the applicable secured parties, and the assumption of indebtedness by the Debtor (i) harmed the applicable secured lenders and the other creditors; (ii) constitute bad faith; (iii) evidence the Debtor's effort to hinder, delay or defraud the secured lenders and the other creditors; or (iv) constitute grounds for dismissal of this bankruptcy case.

IV. Transfer of Real Estate From TCI Amoco to the Debtor, Subject to the Alleged Liens of Petra

48. TCI Amoco Property, LLC is a Delaware limited liability company ("TCI Amoco"). As of December 23, 2010, the managers, members, and officers of TCI Amoco were those individuals set forth on the attached Wells Fargo Exhibit "1." As of the Petition Date, the managers, members, and officers of TCI Amoco were those individuals set forth on the attached Wells Fargo Exhibit "2."
49. As of the Petition Date, the total amount of unsecured trade debt previously owed by TCI Amoco and assumed by the Debtor was \$202,372.58, as set forth on Wells Fargo Exhibit "8."
50. Effective December 23, 2010, pursuant to a certain Purchase Agreement, the Debtor purchased from TCI Amoco, an office building more **commonly known as the Amoco Office Building**, 1340 Poydras Street, New Orleans, Louisiana (the "TCI Amoco Property"), subject to the alleged liens and indebtedness of Petra Mortgage Capital Corp. (predecessor in interest to Petra CRE CDO 2007-1, Ltd., previously defined herein as Petra) for a purchase price of \$23,500,000. A true and correct copy of that Purchase Agreement has been admitted into evidence as Wells Fargo Exhibit "37."
51. The purchase price for the TCI Amoco Property included the Debtor's (i) assumption of approximately \$19,305,729.00 of mortgage debt and all of the trade debt associated with the TCI Amoco Property and (ii) execution and delivery of a Promissory Note, dated as of December 23, 2010, in the original principal amount of \$4,194,271.00, executed by the Debtor, as maker, and TCI Amoco, as payee (the "TCI Amoco Note"). A true and correct copy of the TCI Amoco Note has been admitted into evidence as Wells Fargo Exhibit "38."
52. Effective December 23, 2010, TCI Amoco executed an Act of Cash Sale, wherein TCI Amoco sold all of its right, title, and interest in and to the TCI Amoco

Property to the Debtor. A true and correct copy of that Act of Cash Sale has been admitted into evidence as Wells Fargo Exhibit "39".

53. The Debtor stipulates that the loan documents between TCI Amoco and Petra prohibit the transfer of the TCI Amoco Property to any third party without Petra's prior written consent. The Debtor denies that the transfers and bankruptcy were without notice to the applicable secured lenders, and the Debtor denies that the transfer and assumption of indebtedness by the Debtor in any way harmed the applicable secured lenders or any other creditor, or constitute bad faith or any effort to hinder, delay or defraud the secured lenders or any other creditor, or constitute grounds for dismissal of this bankruptcy case. In contrast, the Moving Parties maintain that the transfers and bankruptcy were without notice to the applicable secured parties, and the assumption of indebtedness by the Debtor (i) harmed the applicable secured lenders and the other creditors; (ii) constitute bad faith; (iii) evidence the Debtor's effort to hinder, delay or defraud the secured lenders and the other creditors; or (iv) constitute grounds for dismissal of this bankruptcy case.
54. The Debtor stipulates that TCI Amoco did not seek or receive Petra's prior written consent to transfer the TCI Amoco Property to any third parties. The Debtor denies that the transfers and bankruptcy were without notice to the applicable secured lenders, and the Debtor denies that the transfer and assumption of indebtedness by the Debtor in any way harmed the applicable secured lenders or any other creditor, or constitute bad faith or any effort to hinder, delay or defraud the secured lenders or any other creditor, or constitute grounds for dismissal of this bankruptcy case. In contrast, the Moving Parties maintain that the transfers and bankruptcy were without notice to the applicable secured parties, and the assumption of indebtedness by the Debtor (i) harmed the applicable secured lenders and the other creditors; (ii) constitute bad faith; (iii) evidence the Debtor's effort to hinder, delay or defraud the secured lenders and the other creditors; or (iv) constitute grounds for dismissal of this bankruptcy case.
55. Effective December 27, 2010, pursuant to a certain Distribution Agreement, TCI Amoco distributed the TCI Amoco Note to Continental Poydras Corp., a Nevada corporation ("Continental Poydras"), (the parent of TCI Amoco). An allonge in favor of Continental Poydras was executed by TCI Amoco and attached to the TCI Amoco Note on the same date. True and correct copies of the Distribution Agreement and the allonge have been admitted, collectively, into evidence as Wells Fargo Exhibit "40".
56. Effective December 27, 2010, pursuant to a certain Purchase Agreement, ABCLD Income purchased from Continental Poydras, all of Continental Poydras's membership interests in TCI Amoco, for \$1,000.00 cash, to be paid at closing. Continental Poydras executed a certain Assignment of Membership Interest in favor of ABCLD Income, on the same date. True and correct copies of the Purchase Agreement and the Assignment of Membership Interest have been admitted, collectively, into evidence as Wells Fargo Exhibit "41".

**V. Transfer of Real Estate From Coventry Pointe to the Debtor,
Subject to the Alleged Liens of: (i) State Bank of Texas;
and (ii) Access 1st Capital**

57. As of December 23, 2010, the managers, members, and officers of Coventry Pointe were those individuals set forth on the attached Wells Fargo Exhibit "1". As of the Petition Date, the managers, members, and officers of Coventry Pointe were those individuals set forth on the attached Wells Fargo Exhibit "2".
58. As of the Petition Date, the total amount of unsecured trade debt previously owed by Coventry Pointe and assumed by the Debtor was \$22,566.55, as set forth on Wells Fargo Exhibit "8".
59. Effective December 23, 2010, pursuant to a certain Purchase Agreement, the Debtor purchased from Coventry Pointe, approximately 24.139 acres of land and tenant in common interest in an additional 5.307 acres of land in the Las Colinas area of Dallas County, Texas (the "Coventry Pointe Property"), subject to the alleged liens of State Bank of Texas and Access, for a purchase price of \$6,700,000.00. A true and correct copy of that Purchase Agreement has been admitted into evidence as Wells Fargo Exhibit "46."
60. The purchase price for the Coventry Pointe Property included the Debtor's (i) assumption of approximately \$4,695,961.44 of mortgage debt and all of the trade debt associated with the Coventry Pointe Property, and (ii) execution and delivery to Coventry Pointe of a Promissory Note, dated as of December 23, 2010, in the original principal amount of \$2,004,039.00, executed by the Debtor, as maker, and Coventry Pointe, as payee (the "Coventry Pointe Note"). A true and correct copy of the Coventry Pointe Note has been admitted into evidence as Wells Fargo Exhibit "47."
61. Effective December 23, 2010, Coventry Pointe executed a General Warranty Deed, wherein Coventry Pointe deeded all of its right, title, and interest in and to the Coventry Pointe Property to the Debtor. Such General Warranty Deed was recorded in Dallas County, Texas, on January 4, 2011, as Document Number 201100001380, and covered the Coventry Pointe Property. A true and correct copy of that General Warranty Deed has been admitted into evidence as Wells Fargo Exhibit "48."
62. The Debtor stipulates that the respective loan documents between Coventry Pointe, on one hand, and State Bank of Texas or Access, on the other hand, prohibit the transfer of the Coventry Pointe Property to any third party without the prior written consent of State Bank of Texas or Access, respectively. The Debtor denies that the transfers and bankruptcy were without notice to the applicable secured lenders, and the Debtor denies that the transfer and assumption of indebtedness by the Debtor in any way harmed the applicable secured lenders or any other creditor, or constitute bad faith or any effort to hinder, delay or defraud the secured lenders or any other creditor, or constitute grounds for dismissal of

this bankruptcy case. In contrast, the Moving Parties maintain that the transfers and bankruptcy were without notice to the applicable secured parties, and the assumption of indebtedness by the Debtor (i) harmed the applicable secured lenders and the other creditors; (ii) constitute bad faith; (iii) evidence the Debtor's effort to hinder, delay or defraud the secured lenders and the other creditors; or (iv) constitute grounds for dismissal of this bankruptcy case.

63. The Debtor stipulates that Coventry Pointe did not seek or receive the prior written consent from State Bank of Texas or Access to transfer the Coventry Pointe Property to any third parties. The Debtor denies that the transfers and bankruptcy were without notice to the applicable secured lenders, and the Debtor denies that the transfer and assumption of indebtedness by the Debtor in any way harmed the applicable secured lenders or any other creditor, or constitute bad faith or any effort to hinder, delay or defraud the secured lenders or any other creditor, or constitute grounds for dismissal of this bankruptcy case. In contrast, the Moving Parties maintain that the transfers and bankruptcy were without notice to the applicable secured parties, and the assumption of indebtedness by the Debtor (i) harmed the applicable secured lenders and the other creditors; (ii) constitute bad faith; (iii) evidence the Debtor's effort to hinder, delay or defraud the secured lenders and the other creditors; or (iv) constitute grounds for dismissal of this bankruptcy case.
64. Effective December 27, 2010, pursuant to a certain Distribution Agreement, Coventry Pointe distributed the Coventry Pointe Note to Transcontinental (the parent of Coventry Pointe). An allonge in favor of Transcontinental was executed by Coventry Pointe and attached to the Coventry Pointe Note on the same date. True and correct copies of the Distribution Agreement and the allonge are attached, collectively as Wells Fargo Exhibit "49."

VI. Transfer of Real Estate From Transcontinental Westgrove to the Debtor, Subject to the Alleged Liens of U.S. Bank National Association

65. As of December 23, 2010, the managers, members, and officers of Transcontinental Westgrove were those individuals set forth on the attached Wells Fargo Exhibit "1." As of the Petition Date, the officers and directors of Transcontinental Westgrove were those individuals set forth on the attached Wells Fargo Exhibit "2."
66. As of the Petition Date, the total amount of unsecured trade debt previously owed by Transcontinental Westgrove and assumed by the Debtor was \$61,386.52, as set forth on Wells Fargo Exhibit "8."
67. Effective December 23, 2010, pursuant to a certain Purchase Agreement, the Debtor purchased from Transcontinental Westgrove, a 69,069 square foot office building property in Dallas County, Texas, **commonly known as Parkway North** (the "Transcontinental Westgrove Property"), subject to the alleged liens and indebtedness of U.S. Bank National Association ("U.S. Bank"), for a purchase

price of \$4,750,000.00. A true and correct copy of that Purchase Agreement has been admitted into evidence as Wells Fargo Exhibit "54."

68. The purchase price included the Debtor's (i) assumption of approximately \$2,934,643.00 of mortgage debt and all of the trade debt associated with the Transcontinental Westgrove Property, and (ii) execution and delivery to Transcontinental Westgrove of a certain Promissory Note, dated as of December 23, 2010, in the original principal amount of \$1,815,357.00, executed by the Debtor, as maker, and Transcontinental Westgrove, as payee (the "Transcontinental Westgrove Note"). A true and correct copy of the Transcontinental Westgrove Note has been admitted into evidence as Wells Fargo Exhibit "55."
69. Effective December 23, 2010, Transcontinental Westgrove executed a General Warranty Deed, wherein Transcontinental Westgrove deeded all of its right, title, and interest in and to the Transcontinental Westgrove Property to the Debtor. That General Warranty Deed was recorded in Dallas County, Texas, on January 4, 2011, as Document Number 201100001396, and covered the Transcontinental Westgrove Property. A true and correct copy of that General Warranty Deed has been admitted into evidence as Wells Fargo Exhibit "56."
70. The Debtor stipulates that the loan documents between Transcontinental Westgrove and U.S. Bank prohibit the transfer of the Transcontinental Westgrove Property to any third party without U.S. Bank's prior written consent. The Debtor denies that the transfers and bankruptcy were without notice to the applicable secured lenders, and the Debtor denies that the transfer and assumption of indebtedness by the Debtor in any way harmed the applicable secured lenders or any other creditor, or constitute bad faith or any effort to hinder, delay or defraud the secured lenders or any other creditor, or constitute grounds for dismissal of this bankruptcy case. In contrast, the Moving Parties maintain that the transfers and bankruptcy were without notice to the applicable secured parties, and the assumption of indebtedness by the Debtor (i) harmed the applicable secured lenders and the other creditors; (ii) constitute bad faith; (iii) evidence the Debtor's effort to hinder, delay or defraud the secured lenders and the other creditors; or (iv) constitute grounds for dismissal of this bankruptcy case.
71. The Debtor stipulates that Transcontinental Westgrove did not seek or receive the prior written consent from U.S. Bank to transfer the Transcontinental Westgrove Property to any third parties. The Debtor denies that the transfers and bankruptcy were without notice to the applicable secured lenders, and the Debtor denies that the transfer and assumption of indebtedness by the Debtor in any way harmed the applicable secured lenders or any other creditor, or constitute bad faith or any effort to hinder, delay or defraud the secured lenders or any other creditor, or constitute grounds for dismissal of this bankruptcy case. In contrast, the Moving Parties maintain that the transfers and bankruptcy were without notice to the applicable secured parties, and the assumption of indebtedness by the Debtor (i) harmed the applicable secured lenders and the other creditors; (ii) constitute

bad faith; (iii) evidence the Debtor's effort to hinder, delay or defraud the secured lenders and the other creditors; or (iv) constitute grounds for dismissal of this bankruptcy case.

72. Effective December 27, 2010, pursuant to a Distribution Agreement, Transcontinental Westgrove distributed and transferred the Transcontinental Westgrove Note to Transcontinental (the parent of Transcontinental Westgrove). An allonge in favor of Transcontinental was executed by Transcontinental Westgrove and attached to the Transcontinental Westgrove Note on the same date. True and correct copies of the Distribution Agreement and the allonge have been admitted, collectively, into evidence as Wells Fargo Exhibit "57."

VII. Transfer of Real Estate From TCI Pantaze to the Debtor, Subject to the Alleged Liens of Access 1st Capital

73. As of December 23, 2010, the managers, members, and officers of TCI Pantaze were those individuals set forth on the attached Wells Fargo Exhibit "1." As of the Petition Date, the managers, members, and officers of TCI Pantaze were those individuals set forth on the attached Wells Fargo Exhibit "2."
74. As of the Petition Date, the total amount of unsecured trade debt previously owed by TCI Pantaze and assumed by the Debtor was \$0.00, as set forth on Wells Fargo Exhibit "8".
75. Effective December 23, 2010, pursuant to a certain Purchase Agreement, the Debtor purchased from TCI Pantaze, 5.997 acres of land in Dallas County, Texas, **commonly known as Pantaze Land** (the "TCI Pantaze Property"), for a purchase price of \$315,000.00, subject to the alleged liens and indebtedness of Access 1. A true and correct copy of that Purchase Agreement has been admitted into evidence as Wells Fargo Exhibit "62."
76. The purchase price for the TCI Pantaze Property included the Debtor's (i) assumption of approximately \$299,897.00 of mortgage debt and all of the trade debt associated with the TCI Pantaze Property, and (ii) execution and delivery of a certain Promissory Note, dated as of December 23, 2010, in the original principal amount of \$15,103.00, executed by the Debtor, as maker, and TCI Pantaze, as payee (the "TCI Pantaze Note"). A true and correct copy of the TCI Pantaze Note has been admitted into evidence as Wells Fargo Exhibit "63."
77. Effective December 23, 2010, TCI Pantaze executed a General Warranty Deed, wherein TCI Pantaze deeded all of its right, title, and interest in and to the TCI Pantaze Property to the Debtor. Such General Warranty Deed was recorded in Dallas County, Texas, on December 30, 2010, as Document Number 2010000331264, and covered the TCI Pantaze Property. A true and correct copy of the TCI Pantaze Note has been admitted into evidence as Wells Fargo Exhibit "64."

78. Effective December 27, 2010, pursuant to a certain Distribution Agreement, TCI Pantaze distributed and transferred the TCI Pantaze Note to Transcontinental (the parent of TCI Pantaze). An allonge in favor of Transcontinental was executed by TCI Pantaze and attached to the TCI Pantaze Note on the same date. True and correct copies of the Distribution Agreement and the allonge have been admitted, collectively, into evidence as Wells Fargo Exhibit "65."
79. The Debtor, TCI Pantaze, and Transcontinental stipulate that the loan documents between TCI Pantaze and Access prohibit the transfer of the TCI Pantaze Property to any third party without Access's prior written consent. The Debtor denies that the transfers and bankruptcy were without notice to the applicable secured lenders, and the Debtor denies that the transfer and assumption of indebtedness by the Debtor in any way harmed the applicable secured lenders or any other creditor, or constitute bad faith or any effort to hinder, delay or defraud the secured lenders or any other creditor, or constitute grounds for dismissal of this bankruptcy case. In contrast, the Moving Parties maintain that the transfers and bankruptcy were without notice to the applicable secured parties, and the assumption of indebtedness by the Debtor (i) harmed the applicable secured lenders and the other creditors; (ii) constitute bad faith; (iii) evidence the Debtor's effort to hinder, delay or defraud the secured lenders and the other creditors; or (iv) constitute grounds for dismissal of this bankruptcy case.
80. The Debtor, TCI Pantaze, and Transcontinental stipulate that TCI Pantaze did not seek or receive the prior written consent from Access to transfer the TCI Pantaze Property to any third parties. The Debtor denies that the transfers and bankruptcy were without notice to the applicable secured lenders, and the Debtor denies that the transfer and assumption of indebtedness by the Debtor in any way harmed the applicable secured lenders or any other creditor, or constitute bad faith or any effort to hinder, delay or defraud the secured lenders or any other creditor, or constitute grounds for dismissal of this bankruptcy case. In contrast, the Moving Parties maintain that the transfers and bankruptcy were without notice to the applicable secured parties, and the assumption of indebtedness by the Debtor (i) harmed the applicable secured lenders and the other creditors; (ii) constitute bad faith; (iii) evidence the Debtor's effort to hinder, delay or defraud the secured lenders and the other creditors; or (iv) constitute grounds for dismissal of this bankruptcy case.

VIII. Transfer of Real Estate From IORI Centura to the Debtor, Subject to the Alleged Liens of: (i) First Bank & Trust, and (ii) Propel

81. IORI Centura, Inc. ("IORI Centura") is a Nevada corporation. As of December 23, 2010, the managers, members, and officers of IORI Centura were those individuals set forth on the attached Wells Fargo Exhibit "1." As of the Petition Date, the officers and directors of IORI Centura were those individuals set forth on the attached Wells Fargo Exhibit "2".

82. As of the Petition Date, the total amount of unsecured trade debt previously owed by IORI Centura and assumed by the Debtor was \$1,783.23, as set forth on Wells Fargo Exhibit "8".
83. Effective December 23, 2010, pursuant to a certain Purchase Agreement, the Debtor purchased from IORI Centura, 10.08 acres of land in Dallas County, Texas, **commonly known as Centura Land** (the "IORI Centura Property"), subject to the alleged liens and indebtedness of First Bank & Trust and Propel (collectively, "First Bank/Propel"), for a purchase price of \$13,000,000.00. A true and correct copy of that Purchase Agreement has been admitted into evidence as Wells Fargo Exhibit "70."
84. The purchase price included the Debtor's (i) assumption of approximately \$7,206,655.00 of mortgage debt and all of the trade debt associated with the IORI Centura Property, and (ii) execution and delivery of a certain Promissory Note, dated as of December 23, 2010, in the original principal amount of \$5,793,344.00, executed by the Debtor, as maker, and IORI Centura, as payee (the "IORI Centura Note"). A true and correct copy of the IORI Centura Note has been admitted into evidence as Wells Fargo Exhibit "71."
85. Effective December 23, 2010, IORI Centura executed a General Warranty Deed, wherein IORI Centura deeded all of its right, title, and interest in and to the IORI Centura Property to the Debtor. Such General Warranty Deed was recorded in Dallas County, Texas, on January 4, 2011, as Document Number 201100001379, and covered the IORI Centura Property. A true and correct copy of that General Warranty Deed has been admitted into evidence as Wells Fargo Exhibit "72."
86. The Debtor stipulates that the loan documents between IORI Centura and First Bank & Trust prohibit the transfer of the IORI Centura Property to any third party without First Bank & Trust's prior written consent. The Debtor denies that the transfers and bankruptcy were without notice to the applicable secured lenders, and the Debtor denies that the transfer and assumption of indebtedness by the Debtor in any way harmed the applicable secured lenders or any other creditor, or constitute bad faith or any effort to hinder, delay or defraud the secured lenders or any other creditor, or constitute grounds for dismissal of this bankruptcy case. In contrast, the Moving Parties maintain that the transfers and bankruptcy were without notice to the applicable secured parties, and the assumption of indebtedness by the Debtor (i) harmed the applicable secured lenders and the other creditors; (ii) constitute bad faith; (iii) evidence the Debtor's effort to hinder, delay or defraud the secured lenders and the other creditors; or (iv) constitute grounds for dismissal of this bankruptcy case.
87. The Debtor stipulates that IORI Centura did not seek or receive the prior written consent from First Bank & Trust to transfer the IORI Centura Property to any third parties. The Debtor denies that the transfers and bankruptcy were without notice to the applicable secured lenders, and the Debtor denies that the transfer and assumption of indebtedness by the Debtor in any way harmed the applicable

secured lenders or any other creditor, or constitute bad faith or any effort to hinder, delay or defraud the secured lenders or any other creditor, or constitute grounds for dismissal of this bankruptcy case. In contrast, the Moving Parties maintain that the transfers and bankruptcy were without notice to the applicable secured parties, and the assumption of indebtedness by the Debtor (i) harmed the applicable secured lenders and the other creditors; (ii) constitute bad faith; (iii) evidence the Debtor's effort to hinder, delay or defraud the secured lenders and the other creditors; or (iv) constitute grounds for dismissal of this bankruptcy case.

88. Effective December 27, 2010, pursuant to a certain Distribution Agreement, IORI Centura distributed the IORI Centura Note to IORI Operating, Inc., a Nevada corporation ("IORI Operating") (the parent of IORI Centura). An allonge in favor of IORI Operating was executed by IORI Centura and attached to the IORI Centura Note on the same date. True and correct copies of the Distribution Agreement and the allonge have been admitted, collectively, into evidence as Wells Fargo Exhibit "73."
89. Effective December 27, 2010, pursuant to a certain Purchase Agreement, ABCLD Income purchased from IORI Operating, all of IORI Operating's capital stock in IORI Centura, for \$1,000.00 cash, to be paid at closing. IORI Operating executed a stock power with certificate, in favor of ABCLD Income, on the same date. True and correct copies of the purchase agreement and stock power have been admitted, collectively, into evidence as Wells Fargo Exhibit "74."

IX. Transfer of Real Estate From TCI Bridgewood to the Debtor, Subject to the Alleged Liens of Access 1st Capital

90. As of December 23, 2010, the managers, members, and officers of TCI Bridgewood were those individuals set forth on the attached Wells Fargo Exhibit "1." As of the Petition Date, the managers, members, and officers of TCI Bridgewood were those individuals set forth on the attached Wells Fargo Exhibit "2".
91. As of the Petition Date, the total amount of unsecured trade debt previously owed by TCI Bridgewood and assumed by the Debtor was \$0.00, as set forth on Wells Fargo Exhibit "8".
92. Effective December 23, 2010, pursuant to a certain Purchase Agreement, the Debtor purchased from TCI Bridgewood, approximately 5.0407 acres of land in Kaufman County, Texas, **commonly known as the Bridgewood Ranch Land** (the "TCI Bridgewood Property"), subject to the alleged liens and indebtedness of Access, for a purchase price of \$285,000.00. A true and correct copy of that Purchase Agreement has been admitted into evidence as Wells Fargo Exhibit "79."
93. The purchase price included the Debtor's (i) assumption of approximately \$115,920.00 of mortgage debt and all of the trade debt associated with the TCI

Bridgewood Property, and (ii) execution and delivery of a Promissory Note, dated as of December 23, 2010, in the original principal amount of \$169,080.00, executed by the Debtor, as maker, and TCI Bridgewood, as payee (the "TCI Bridgewood Note"). A true and correct copy of the TCI Bridgewood Note has been admitted into evidence as Wells Fargo Exhibit "80."

94. Effective December 23, 2010, TCI Bridgewood executed a General Warranty Deed, wherein TCI Bridgewood deeded all of its right, title, and interest in and to the TCI Bridgewood Property to the Debtor. That General Warranty Deed was recorded in Kaufman County, Texas, on December 30, 2010, as Document Number 20100020754, and covered the TCI Bridgewood Property. A true and correct copy of that General Warranty Deed has been admitted into evidence as Wells Fargo Exhibit "81."
95. The Debtor stipulates that the loan documents between TCI Bridgewood and Access prohibit the transfer of the TCI Bridgewood Property to any third party without Access's prior written consent. The Debtor denies that the transfers and bankruptcy were without notice to the applicable secured lenders, and the Debtor denies that the transfer and assumption of indebtedness by the Debtor in any way harmed the applicable secured lenders or any other creditor, or constitute bad faith or any effort to hinder, delay or defraud the secured lenders or any other creditor, or constitute grounds for dismissal of this bankruptcy case. In contrast, the Moving Parties maintain that the transfers and bankruptcy were without notice to the applicable secured parties, and the assumption of indebtedness by the Debtor (i) harmed the applicable secured lenders and the other creditors; (ii) constitute bad faith; (iii) evidence the Debtor's effort to hinder, delay or defraud the secured lenders and the other creditors; or (iv) constitute grounds for dismissal of this bankruptcy case.
96. The Debtor, TCI Bridgewood, and Transcontinental stipulate that TCI Bridgewood did not seek or receive the prior written consent from Access to transfer the TCI Bridgewood Property to any third parties. The Debtor denies that the transfers and bankruptcy were without notice to the applicable secured lenders, and the Debtor denies that the transfer and assumption of indebtedness by the Debtor in any way harmed the applicable secured lenders or any other creditor, or constitute bad faith or any effort to hinder, delay or defraud the secured lenders or any other creditor, or constitute grounds for dismissal of this bankruptcy case. In contrast, the Moving Parties maintain that the transfers and bankruptcy were without notice to the applicable secured parties, and the assumption of indebtedness by the Debtor (i) harmed the applicable secured lenders and the other creditors; (ii) constitute bad faith; (iii) evidence the Debtor's effort to hinder, delay or defraud the secured lenders and the other creditors; or (iv) constitute grounds for dismissal of this bankruptcy case.
97. Effective December 27, 2010, pursuant to a certain Distribution Agreement, TCI Bridgewood distributed the TCI Bridgewood Note to Transcontinental, which was the parent of TCI Bridgewood. An allonge in favor of Transcontinental was

executed by TCI Bridgewood and attached to the TCI Bridgewood Note on the same date. True and correct copies of the Distribution Agreement and the allonge have been admitted, collectively, into evidence as Wells Fargo Exhibit "82."

X. Transfer of Real Estate From TCI Hunters Glen to the Debtor, Subject to the Alleged Liens of: (i) American Bank of Commerce, and (ii) Propel

98. As of December 23, 2010, the officers and directors of TCI Hunters Glen were those individuals set forth on the attached Wells Fargo Exhibit "1". As of the Petition Date, the officers and directors of TCI Hunters Glen were those individuals set forth on the attached Wells Fargo Exhibit "2".
99. As of the Petition Date, the total amount of unsecured trade debt previously owed by TCI Hunters Glen and assumed by the Debtor was \$20,536.84, as set forth on Wells Fargo Exhibit "8".
100. Effective December 23, 2010, pursuant to a certain Purchase Agreement, the Debtor purchased from TCI Hunters Glen, a 106 unit apartment complex in Kaufman County, Texas, **commonly known as the Bridgewood Ranch Apartments** (the "TCI Hunters Glen Property"), subject to the alleged liens and indebtedness of ABC and Propel, for a purchase price of \$7,150,000.00. A true and correct copy of that Purchase Agreement has been admitted into evidence as Wells Fargo Exhibit "87."
101. The purchase price included the Debtor's (i) assumption of approximately \$5,188,070.26 of mortgage debt and all of the trade debt associated with the TCI Hunters Glen Property, and (ii) execution and delivery of a Promissory Note, dated as of December 23, 2010, in the original principal amount of \$1,961,929.74, executed by the Debtor, as maker, and TCI Hunters Glen, as payee (the "TCI Hunters Glen Note"). A true and correct copy of the TCI Hunters Glen Note has been admitted into evidence as Wells Fargo Exhibit "88."
102. Effective December 23, 2010, TCI Hunters Glen executed a General Warranty Deed, wherein TCI Hunters Glen deeded all of its right, title, and interest in and to the TCI Hunters Glen Property to the Debtor. That General Warranty Deed was recorded in Kaufman County, Texas, on January 4, 2011, as Document Number 20110000062, and covered the TCI Hunters Glen Property. A true and correct copy of that General Warranty Deed has been admitted into evidence as Wells Fargo Exhibit "89."
103. The Debtor stipulates that the loan documents between TCI Hunters Glen and ABC prohibit the transfer of the TCI Hunters Glen Property to any third party without ABC's prior written consent. The Debtor denies that the transfers and bankruptcy were without notice to the applicable secured lenders, and the Debtor denies that the transfer and assumption of indebtedness by the Debtor in any way harmed the applicable secured lenders or any other creditor, or constitute bad faith or any effort to hinder, delay or defraud the secured lenders or any other creditor,

or constitute grounds for dismissal of this bankruptcy case. In contrast, the Moving Parties maintain that the transfers and bankruptcy were without notice to the applicable secured parties, and the assumption of indebtedness by the Debtor (i) harmed the applicable secured lenders and the other creditors; (ii) constitute bad faith; (iii) evidence the Debtor's effort to hinder, delay or defraud the secured lenders and the other creditors; or (iv) constitute grounds for dismissal of this bankruptcy case.

104. The Debtor stipulates that TCI Hunters Glen did not seek or receive the prior written consent from ABC to transfer the TCI Hunters Glen Property to any third parties. The Debtor denies that the transfers and bankruptcy were without notice to the applicable secured lenders, and the Debtor denies that the transfer and assumption of indebtedness by the Debtor in any way harmed the applicable secured lenders or any other creditor, or constitute bad faith or any effort to hinder, delay or defraud the secured lenders or any other creditor, or constitute grounds for dismissal of this bankruptcy case. In contrast, the Moving Parties maintain that the transfers and bankruptcy were without notice to the applicable secured parties, and the assumption of indebtedness by the Debtor (i) harmed the applicable secured lenders and the other creditors; (ii) constitute bad faith; (iii) evidence the Debtor's effort to hinder, delay or defraud the secured lenders and the other creditors; or (iv) constitute grounds for dismissal of this bankruptcy case.
105. Effective December 27, 2010, pursuant to a Distribution Agreement, TCI Hunters Glen distributed the TCI Hunters Glen Note to Transcontinental, which was the parent of TCI Hunters Glen. An allonge in favor of Transcontinental was executed by TCI Hunters Glen and attached to the TCI Hunters Glen Note on the same date. True and correct copies of the Distribution Agreement and the allonge have been admitted, collectively, into evidence as Wells Fargo Exhibit "90."

**XI. Transfer of Real Estate From ART Palm to the Debtor,
Subject to the Alleged Liens of Access 1st Capital**

106. ART Palm, LLC ("ART Palm") is a Delaware limited liability company. As of December 23, 2010, the managers, members, and officers of ART Palm were those individuals set forth on the attached Wells Fargo Exhibit "1." As of the Petition Date, the managers, members, and officers of ART Palm were those individuals set forth on the attached Wells Fargo Exhibit "2."
107. As of the Petition Date, the total amount of unsecured trade debt previously owed by ART Palm and assumed by the Debtor was \$0.00, as set forth on Wells Fargo Exhibit "8".
108. Effective December 23, 2010, pursuant to a certain Purchase Agreement, the Debtor purchased from ART Palm, approximately 3.976 acres of land in Farmers Branch, Dallas County, Texas, **commonly known as the Senlac/Valley View Land** (the "ART Palm Property"), subject to the alleged liens and indebtedness of

Access, for a purchase price of \$1,025,000.00. A true and correct copy of such Purchase Agreement has been admitted into evidence as Wells Fargo Exhibit "95."

109. The purchase price included the Debtor's (i) assumption of approximately \$502,904.20 of mortgage debt and all of the trade debt associated with the ART Palm Property, and (ii) execution and delivery of a Promissory Note, dated as of December 23, 2010, in the original principal amount of \$522,095.80, executed by the Debtor, as maker, and ART Palm, as payee (the "ART Palm Note"). A true and correct copy of the ART Palm Note has been admitted into evidence as Wells Fargo Exhibit "96."
110. Effective December 23, 2010, ART Palm executed a General Warranty Deed, wherein ART Palm deeded all of its right, title, and interest in and to the ART Palm Property to the Debtor. That General Warranty Deed was recorded in Dallas County, Texas, on December 29, 2010, as Document Number 201000331258, and covered the ART Palm Property. A true and correct copy of that General Warranty Deed has been admitted into evidence as Wells Fargo Exhibit "97."
111. The Debtor stipulates that the loan documents between ART Palm and Access prohibit the transfer of the ART Palm Property to any third party without Access's prior written consent. The Debtor denies that the transfers and bankruptcy were without notice to the applicable secured lenders, and the Debtor denies that the transfer and assumption of indebtedness by the Debtor in any way harmed the applicable secured lenders or any other creditor, or constitute bad faith or any effort to hinder, delay or defraud the secured lenders or any other creditor, or constitute grounds for dismissal of this bankruptcy case. In contrast, the Moving Parties maintain that the transfers and bankruptcy were without notice to the applicable secured parties, and the assumption of indebtedness by the Debtor (i) harmed the applicable secured lenders and the other creditors; (ii) constitute bad faith; (iii) evidence the Debtor's effort to hinder, delay or defraud the secured lenders and the other creditors; or (iv) constitute grounds for dismissal of this bankruptcy case.
112. The Debtor stipulates that ART Palm did not seek or receive the prior written consent from Access to transfer the Art Palm Property to any third parties. The Debtor denies that the transfers and bankruptcy were without notice to the applicable secured lenders, and the Debtor denies that the transfer and assumption of indebtedness by the Debtor in any way harmed the applicable secured lenders or any other creditor, or constitute bad faith or any effort to hinder, delay or defraud the secured lenders or any other creditor, or constitute grounds for dismissal of this bankruptcy case. In contrast, the Moving Parties maintain that the transfers and bankruptcy were without notice to the applicable secured parties, and the assumption of indebtedness by the Debtor (i) harmed the applicable secured lenders and the other creditors; (ii) constitute bad faith; (iii) evidence the Debtor's effort to hinder, delay or defraud the secured lenders and the other creditors; or (iv) constitute grounds for dismissal of this bankruptcy case.

113. Effective December 27, 2010, pursuant to a certain Distribution Agreement, ART Palm distributed the ART Palm Note to ART Palm Limited Partnership, a Texas limited partnership ("ART Palm Partnership"), which was the parent of ART Palm. An allonge in favor of ART Palm Limited Partnership was executed by ART Palm and attached to the ART Palm Note on the same date. True and correct copies of the Distribution Agreement and the allonge have been admitted, collectively, into evidence as Wells Fargo Exhibit "98."
114. Effective December 27, 2010, pursuant to a Distribution Agreement, ART Palm Limited Partnership then distributed the ART Palm Note to American Realty Trust, Inc., a Georgia corporation ("American Realty Trust"), which owns 99% of the partnership interests in ART Palm Limited Partnership. An allonge in favor of American Realty Trust was executed by ART Palm Limited Partnership and attached to the ART Palm Note on the same date. True and correct copies of the Distribution Agreement and the allonge have been admitted, collectively, into evidence as Wells Fargo Exhibit "99."
115. Effective December 27, 2010, pursuant to a Purchase Agreement, ABCLD Income purchased from ART Palm Limited Partnership, all of ART Palm Limited Partnership's membership interests in ART Palm, for \$1,000.00 cash, to be paid at closing. ART Palm Limited Partnership executed an assignment of membership interest, in favor of ABCLD Income, on the same date. True and correct copies of the Purchase Agreement and the assignment of membership interest have been admitted, collectively, into evidence as Wells Fargo Exhibit "100."

**XII. Transfer of Real Estate From TCI Ridgepoint to the Debtor,
Subject to the Alleged Liens of: (i) Access 1st Capital, and (ii) Propel**

116. As of December 23, 2010, the managers, members, and officers of TCI Ridgepoint were those individuals set forth on the attached Wells Fargo Exhibit "1." As of the Petition Date, the managers, members, and officers of TCI Ridgepoint were those individuals set forth on the attached Wells Fargo Exhibit "2."
117. As of the Petition Date, the total amount of unsecured trade debt owed by TCI Ridgepoint and assumed by the Debtor was \$0.00, as set forth on Wells Fargo Exhibit "8".
118. Effective December 23, 2010, pursuant to a certain Purchase Agreement, the Debtor purchased from TCI Ridgepoint, approximately 0.65 acres of land in Irving, Dallas County, Texas, **commonly known as the Ridgepoint Drive Land** (the "TCI Ridgepoint Property"), subject to the alleged liens and indebtedness of Access, for a purchase price of \$189,000.00. A true and correct copy of that Purchase Agreement has been admitted into evidence as Wells Fargo Exhibit "105."

119. The purchase price included the Debtor's (i) assumption of approximately \$92,276.00 of mortgage debt and all of the trade debt associated with the TCI Ridgepoint Property, and (ii) execution and delivery of a Promissory Note, dated as of December 23, 2010, in the original principal amount of \$96,724.00, executed by the Debtor, as maker, and TCI Ridgepoint, as payee (the "TCI Ridgepoint Note"). A true and correct copy of the TCI Ridgepoint Note has been admitted into evidence as Wells Fargo Exhibit "106."
120. Effective December 23, 2010, TCI Ridgepoint executed a General Warranty Deed, wherein TCI Ridgepoint deeded all of its right, title, and interest in and to the TCI Ridgepoint Property to the Debtor. That General Warranty Deed was recorded in Dallas County, Texas, on December 29, 2010, as Document Number 201000331260, and covered the TCI Ridgepoint Property. A true and correct copy of that General Warranty Deed has been admitted into evidence as Wells Fargo Exhibit "107."
121. The Debtor stipulates that the loan documents between TCI Ridgepoint and Access prohibit the transfer of the TCI Ridgepoint Property to any third party without Access's prior written consent. The Debtor denies that the transfers and bankruptcy were without notice to the applicable secured lenders, and the Debtor denies that the transfer and assumption of indebtedness by the Debtor in any way harmed the applicable secured lenders or any other creditor, or constitute bad faith or any effort to hinder, delay or defraud the secured lenders or any other creditor, or constitute grounds for dismissal of this bankruptcy case. In contrast, the Moving Parties maintain that the transfers and bankruptcy were without notice to the applicable secured parties, and the assumption of indebtedness by the Debtor (i) harmed the applicable secured lenders and the other creditors; (ii) constitute bad faith; (iii) evidence the Debtor's effort to hinder, delay or defraud the secured lenders and the other creditors; or (iv) constitute grounds for dismissal of this bankruptcy case.
122. The Debtor stipulates that TCI Ridgepoint did not seek or receive the prior written consent from Access to transfer the TCI Ridgepoint Property to any third parties. The Debtor denies that the transfers and bankruptcy were without notice to the applicable secured lenders, and the Debtor denies that the transfer and assumption of indebtedness by the Debtor in any way harmed the applicable secured lenders or any other creditor, or constitute bad faith or any effort to hinder, delay or defraud the secured lenders or any other creditor, or constitute grounds for dismissal of this bankruptcy case. In contrast, the Moving Parties maintain that the transfers and bankruptcy were without notice to the applicable secured parties, and the assumption of indebtedness by the Debtor (i) harmed the applicable secured lenders and the other creditors; (ii) constitute bad faith; (iii) evidence the Debtor's effort to hinder, delay or defraud the secured lenders and the other creditors; or (iv) constitute grounds for dismissal of this bankruptcy case.
123. Effective December 27, 2010, pursuant to a certain Distribution Agreement, TCI Ridgepoint distributed the TCI Ridgepoint Note to Transcontinental, which was

the parent of TCI Ridgepoint. An allonge in favor of Transcontinental was executed by TCI Ridgepoint and attached to the TCI Ridgepoint Note on the same date. True and correct copies of the Distribution Agreement and the allonge have been admitted, collectively, into evidence as Wells Fargo Exhibit "108."

**XIII. Transfer of Real Estate From TCI 109 Beltline to the Debtor,
Subject to the Alleged Liens of: (i) Armed Forces Bank, and (ii) Propel**

124. As of December 23, 2010, the directors and officers of TCI 109 Beltline were those individuals set forth on the attached Wells Fargo Exhibit "1". As of the Petition Date, the officers and directors of TCI 109 Beltline were those individuals set forth on the attached Wells Fargo Exhibit "2".
125. As of the Petition Date, the total amount of unsecured trade debt previously owed by TCI 109 Beltline and assumed by the Debtor was \$293.90,⁷ as set forth on Wells Fargo Exhibit "8".
126. Effective December 23, 2010, pursuant to a Purchase Agreement, the Debtor purchased from TCI 109 Beltline, approximately 109.85 acres of land in fee simple in the Las Colinas area of Irving, Dallas County, Texas and approximately 13.220 acres of land as an easement estate in the Las Colinas area of Irving, Dallas County, Texas, **commonly known as Payne-North** (collectively, the "TCI 109 Beltline Property"), subject to the alleged liens and indebtedness of Armed Forces and Propel, for a purchase price of \$14,050,000.00. A true and correct copy of that Purchase Agreement has been admitted into evidence as Wells Fargo Exhibit "113."
127. The purchase price included the Debtor's (i) assumption of mortgage debt and property tax obligations encumbering the TCI 109 Beltline Property with an approximate balance of approximately \$12,166,811.67 (ii) TCI 109 Beltline's trade debt for the TCI 109 Beltline Property, and (iii) a Promissory Note, dated as of December 23, 2010, in the original principal amount of \$1,883,188.33, executed by the Debtor, as maker, and TCI 109 Beltline, as payee (the "TCI 109 Beltline Note"). A true and correct copy of the TCI 109 Beltline Note has been admitted into evidence as Wells Fargo Exhibit "114."
128. Effective as of December 23, 2010, TCI 109 Beltline executed a General Warranty Deed, wherein TCI 109 Beltline deeded all of its right, title, and interest in and to the TCI 109 Beltline Property to the Debtor. That General Warranty Deed was recorded in Dallas County, Texas, on January 4, 2011, as Document Number 201100001403, and covered the TCI 109 Beltline Property. A true and correct copy of that General Warranty Deed has been admitted into evidence as Wells Fargo Exhibit "115."

⁷ These numbers are based on the Debtor's books and records and have been agreed to for the purposes of this hearing. Armed Forces reserves the right to challenge these numbers at a later date.

129. The Debtor stipulates that the loan documents between TCI 109 Beltline and Armed Forces prohibit the transfer of the TCI 109 Beltline Property to any third party without Armed Forces' prior written consent. The Debtor denies that the transfers and bankruptcy were without notice to the applicable secured lenders, and the Debtor denies that the transfer and assumption of indebtedness by the Debtor in any way harmed the applicable secured lenders or any other creditor, or constitute bad faith or any effort to hinder, delay or defraud the secured lenders or any other creditor, or constitute grounds for dismissal of this bankruptcy case. In contrast, the Moving Parties maintain that the transfers and bankruptcy were without notice to the applicable secured parties, and the assumption of indebtedness by the Debtor (i) harmed the applicable secured lenders and the other creditors; (ii) constitute bad faith; (iii) evidence the Debtor's effort to hinder, delay or defraud the secured lenders and the other creditors; or (iv) constitute grounds for dismissal of this bankruptcy case.
130. The Debtor stipulates that TCI 109 Beltline did not seek or receive the prior written consent from Armed Forces to transfer the TCI 109 Beltline Property to any third parties. The Debtor denies that the transfers and bankruptcy were without notice to the applicable secured lenders, and the Debtor denies that the transfer and assumption of indebtedness by the Debtor in any way harmed the applicable secured lenders or any other creditor, or constitute bad faith or any effort to hinder, delay or defraud the secured lenders or any other creditor, or constitute grounds for dismissal of this bankruptcy case. In contrast, the Moving Parties maintain that the transfers and bankruptcy were without notice to the applicable secured parties, and the assumption of indebtedness by the Debtor (i) harmed the applicable secured lenders and the other creditors; (ii) constitute bad faith; (iii) evidence the Debtor's effort to hinder, delay or defraud the secured lenders and the other creditors; or (iv) constitute grounds for dismissal of this bankruptcy case.
131. Effective as of December 27, 2010, pursuant to a certain Distribution Agreement, TCI 109 Beltline distributed the TCI 109 Beltline Note to Transcontinental, which was the parent of TCI 109 Beltline. An allonge in favor of Transcontinental was executed by TCI 109 Beltline and attached to the TCI 109 Beltline Note on December 27, 2010. True and correct copies of the Distribution Agreement and the allonge have been admitted, collectively, into evidence as Wells Fargo Exhibit "116."

XIV. Transfer of Real Estate From Thornwood to the Debtor, Subject to the Alleged Liens of: (i) American Bank of Commerce, and (ii) Propel

132. As of December 23, 2010, the managers, members, and officers of Thornwood were those individuals set forth on the attached Wells Fargo Exhibit "1." As of the Petition Date, the managers, members, and officers of Thornwood were those individuals set forth on the attached Wells Fargo Exhibit "2".

133. As of the Petition Date, the total amount of unsecured trade debt previously owed by Thornwood and assumed by the Debtor was \$2,621.74, as set forth on Wells Fargo Exhibit "8".
134. Effective December 23, 2010, pursuant to a certain Purchase Agreement, the Debtor purchased from Thornwood, the following properties (together, the "Thornwood Properties"):
- (a) Approximately 9.961 acres of land in Austin, Texas, **commonly known as Limestone Canyon II**;
 - (b) Approximately 10.692 acres of land located in Temple, Texas, **commonly known as Temple Land**; and
 - (c) Approximately 3.7404 acres of land in Irving, Texas, and a building located thereon, **commonly known as the Teleport Building**, in each case, subject to the alleged liens and indebtedness of American Bank of Commerce and Propel (items (a) through (c) had an aggregate purchase price of \$1,670,000.00). A true and correct copy of that Purchase Agreement has been admitted into evidence as Wells Fargo Exhibit "121."
135. The purchase price included the Debtor's (i) assumption of approximately \$2,970.65 of mortgage debt⁸ and all of the trade debt associated with the Thornwood Properties, and (ii) execution and delivery of a Promissory Note, dated as of December 23, 2010, in the original principal amount of \$1,667,029.35, executed by the Debtor, as maker, and Thornwood, as payee (the "Thornwood Note"). A true and correct copy of the Thornwood Note has been admitted into evidence as Wells Fargo Exhibit "122."
136. Thornwood executed three General Warranty Deeds effective December 23, 2010, wherein Thornwood deeded all of its rights, titles, and interests in and to the Thornwood Properties to the Debtor. These General Warranty Deeds were recorded in each of Dallas County, Bell County, and Travis County, Texas, on January 4, 2011, as Document Numbers 201100001405, 2011438, and 2011001175, respectively, and covered the Thornwood Properties. True and correct copies of these General Warranty Deeds are attached collectively, as Wells Fargo Exhibit "123."
137. The Debtor stipulates that the loan documents between Thornwood and ABC prohibit the transfer of any of the Thornwood Properties to any third party without ABC's prior written consent. The Debtor denies that the transfers and bankruptcy were without notice to the applicable secured lenders, and the Debtor denies that the transfer and assumption of indebtedness by the Debtor in any way harmed the applicable secured lenders or any other creditor, or constitute bad faith or any

⁸ ABC maintains that the Thornwood Properties are subject to mortgage debt in the approximate amount of \$4.3 million.

effort to hinder, delay or defraud the secured lenders or any other creditor, or constitute grounds for dismissal of this bankruptcy case. In contrast, the Moving Parties maintain that the transfers and bankruptcy were without notice to the applicable secured parties, and the assumption of indebtedness by the Debtor (i) harmed the applicable secured lenders and the other creditors; (ii) constitute bad faith; (iii) evidence the Debtor's effort to hinder, delay or defraud the secured lenders and the other creditors; or (iv) constitute grounds for dismissal of this bankruptcy case.

138. The Debtor stipulates that Thornwood did not seek or receive the prior written consent from ABC to transfer the Thornwood Properties to any third parties. The Debtor denies that the transfers and bankruptcy were without notice to the applicable secured lenders, and the Debtor denies that the transfer and assumption of indebtedness by the Debtor in any way harmed the applicable secured lenders or any other creditor, or constitute bad faith or any effort to hinder, delay or defraud the secured lenders or any other creditor, or constitute grounds for dismissal of this bankruptcy case. In contrast, the Moving Parties maintain that the transfers and bankruptcy were without notice to the applicable secured parties, and the assumption of indebtedness by the Debtor (i) harmed the applicable secured lenders and the other creditors; (ii) constitute bad faith; (iii) evidence the Debtor's effort to hinder, delay or defraud the secured lenders and the other creditors; or (iv) constitute grounds for dismissal of this bankruptcy case.
139. Effective December 27, 2010, pursuant to a certain Distribution Agreement, Thornwood distributed the Thornwood Note to Transcontinental, which was the parent of Thornwood. An allonge in favor of Transcontinental was executed by Thornwood and attached to the Thornwood Note on the same date. True and correct copies of the Distribution Agreement and the allonge have been admitted, collectively, into evidence as Wells Fargo Exhibit "124."

XV. Transfer of Real Estate From Income Opportunity to the Debtor, Subject to the Alleged Liens of Nexbank

140. Income Opportunity Realty Investors, Inc. ("Income Opportunity") is a Nevada corporation. As of December 23, 2010, the officers and directors of Income Opportunity were those individuals set forth on the attached Wells Fargo Exhibit "1." As of the Petition Date, the officers and directors of Income Opportunity were those individuals set forth on the attached Wells Fargo Exhibit "2."
141. As of the Petition Date, the total amount of unsecured trade debt previously owed by Income Opportunity and assumed by the Debtor was \$0.00, as set forth on Wells Fargo Exhibit "8".
142. Effective December 23, 2010, pursuant to a certain Purchase Agreement, the Debtor purchased from Income Opportunity, approximately 6.6 acres of land in Farmers Branch, Dallas County, Texas, **commonly known as Three Hickory Land** (the "Income Opportunity Property"), subject to the alleged liens and

indebtedness of Nexbank, for a purchase price of \$1,250,000.00. A true and correct copy of that purchase agreement has been admitted into evidence as Wells Fargo Exhibit "128."

143. The purchase price included the Debtor's (i) assumption of mortgage debt and all of the trade debt, if any, associated with the Income Opportunity Property, and (ii) execution and delivery of a Promissory Note, dated as of December 23, 2010, in the original principal amount of \$1,250,000.00, executed by the Debtor, as maker, and Income Opportunity, as payee (the "Income Opportunity Note"). A true and correct copy of the Income Opportunity Note has been admitted into evidence as Wells Fargo Exhibit "129."
144. Effective December 23, 2010, Income Opportunity executed a General Warranty Deed, wherein Income Opportunity deeded all of its right, title, and interest in and to the Income Opportunity Property to the Debtor. That General Warranty Deed was recorded in Dallas County, Texas, on January 4, 2011, as Document Number 201100001408, and covered the Income Opportunity Property. A true and correct copy of that General Warranty Deed has been admitted into evidence as Wells Fargo Exhibit "130."
145. The Debtor stipulates that the loan documents between Income Opportunity and Nexbank prohibit the transfer of the Income Opportunity Property to any third party without Nexbank's prior written consent. The Debtor denies that the transfers and bankruptcy were without notice to the applicable secured lenders, and the Debtor denies that the transfer and assumption of indebtedness by the Debtor in any way harmed the applicable secured lenders or any other creditor, or constitute bad faith or any effort to hinder, delay or defraud the secured lenders or any other creditor, or constitute grounds for dismissal of this bankruptcy case. In contrast, the Moving Parties maintain that the transfers and bankruptcy were without notice to the applicable secured parties, and the assumption of indebtedness by the Debtor (i) harmed the applicable secured lenders and the other creditors; (ii) constitute bad faith; (iii) evidence the Debtor's effort to hinder, delay or defraud the secured lenders and the other creditors; or (iv) constitute grounds for dismissal of this bankruptcy case.
146. The Debtor stipulates that Income Opportunity did not seek or receive the prior written consent from Nexbank to transfer the Income Opportunity Property to any third parties. The Debtor denies that the transfers and bankruptcy were without notice to the applicable secured lenders, and the Debtor denies that the transfer and assumption of indebtedness by the Debtor in any way harmed the applicable secured lenders or any other creditor, or constitute bad faith or any effort to hinder, delay or defraud the secured lenders or any other creditor, or constitute grounds for dismissal of this bankruptcy case. In contrast, the Moving Parties maintain that the transfers and bankruptcy were without notice to the applicable secured parties, and the assumption of indebtedness by the Debtor (i) harmed the applicable secured lenders and the other creditors; (ii) constitute bad faith; (iii) evidence the Debtor's effort to hinder, delay or defraud the secured lenders

and the other creditors; or (iv) constitute grounds for dismissal of this bankruptcy case.

XVI. Transfer of Ground Leases From Westgrove Air Plaza to the Debtor, Subject to the Alleged Liens of: (i) Regions Bank, and (ii) Propel

147. As of December 23, 2010, the managers, members, and officers of Westgrove Air Plaza were those individuals set forth on the attached Wells Fargo Exhibit "1". As of the Petition Date, the managers, members, and officers of Westgrove Air Plaza were those individuals set forth on the attached Wells Fargo Exhibit "2".
148. As of the Petition Date, the total amount of unsecured trade debt previously owed by Westgrove Air Plaza and assumed by the Debtor was \$52,123.85, as set forth on Wells Fargo Exhibit "8".
149. Effective December 23, 2010, pursuant to a certain Purchase Agreement, the Debtor purchased from Westgrove Air Plaza, Westgrove Air Plaza's interests in and to one or more ground leases covering certain property in Dallas County, Texas, more **commonly known as the Westgrove Air Plaza** (the "Westgrove Air Plaza Property"), subject to the alleged liens and indebtedness of Regions Bank and Propel, for a purchase price of \$4,500,000.00. A true and correct copy of that Purchase Agreement has been admitted into evidence as Wells Fargo Exhibit "134."
150. The purchase price included the Debtor's (i) assumption of approximately \$2,268,628.99 of mortgage debt and all of the trade debt associated with the Westgrove Air Plaza Property, and (ii) execution and delivery of a Promissory Note, dated as of December 23, 2010, in the original principal amount of \$2,231,371.01, executed by the Debtor, as maker, and Westgrove Air Plaza, as payee (the "Westgrove Air Plaza Note"). A true and correct copy of the Westgrove Air Plaza Note has been admitted into evidence as Wells Fargo Exhibit "135."
151. Westgrove Air Plaza executed an Assignment of Tenant's Interest In Lease on December 23, 2010, wherein Westgrove Air Plaza assigned all of its right, title, and interest in and to the Westgrove Air Plaza Property to the Debtor. A true and correct copy of the Assignment of Tenant's Interest In Lease has been admitted into evidence as Wells Fargo Exhibit "136."
152. The Debtor stipulates that the loan documents between Westgrove Air Plaza and Regions Bank prohibit the transfer of the Westgrove Air Plaza Property to any third party without Regions Bank's prior written consent. The Debtor denies that the transfers and bankruptcy were without notice to the applicable secured lenders, and the Debtor denies that the transfer and assumption of indebtedness by the Debtor in any way harmed the applicable secured lenders or any other creditor, or constitute bad faith or any effort to hinder, delay or defraud the secured lenders or any other creditor, or constitute grounds for dismissal of this

bankruptcy case. In contrast, the Moving Parties maintain that the transfers and bankruptcy were without notice to the applicable secured parties, and the assumption of indebtedness by the Debtor (i) harmed the applicable secured lenders and the other creditors; (ii) constitute bad faith; (iii) evidence the Debtor's effort to hinder, delay or defraud the secured lenders and the other creditors; or (iv) constitute grounds for dismissal of this bankruptcy case.

153. The Debtor, Westgrove Air Plaza, and Transcontinental stipulate that Westgrove Air Plaza did not seek or receive the prior written consent from Regions Bank to transfer its leases of the Westgrove Air Plaza Property to any third parties. The Debtor denies that the transfers and bankruptcy were without notice to the applicable secured lenders, and the Debtor denies that the transfer and assumption of indebtedness by the Debtor in any way harmed the applicable secured lenders or any other creditor, or constitute bad faith or any effort to hinder, delay or defraud the secured lenders or any other creditor, or constitute grounds for dismissal of this bankruptcy case. In contrast, the Moving Parties maintain that the transfers and bankruptcy were without notice to the applicable secured parties, and the assumption of indebtedness by the Debtor (i) harmed the applicable secured lenders and the other creditors; (ii) constitute bad faith; (iii) evidence the Debtor's effort to hinder, delay or defraud the secured lenders and the other creditors; or (iv) constitute grounds for dismissal of this bankruptcy case.
154. Effective December 27, 2010, pursuant to a certain Distribution Agreement, Westgrove Air Plaza distributed the Westgrove Air Plaza Note to Transcontinental, which was the parent of Westgrove Air Plaza. An allonge in favor of Transcontinental was executed by Westgrove Air Plaza and attached to the Westgrove Air Plaza Note on the same date. True and correct copies of the Distribution Agreement and the allonge have been admitted, collectively, into evidence as Wells Fargo Exhibit "137."

XVII. Transfer of Real Estate From American Realty Trust to the Debtor, Subject to the Alleged Liens of (i) Armed Forces Bank, and (ii) Propel

155. As of December 23, 2010, the officers and directors of American Realty Trust were those individuals set forth on the attached Wells Fargo Exhibit "1." As of the Petition Date, the officers and directors of American Realty Trust were those individuals set forth on the attached Wells Fargo Exhibit "2".
156. As of the Petition Date, the total amount of unsecured trade debt previously owed by American Realty Trust and assumed by the Debtor was \$8,575.01,⁹ as set forth on Wells Fargo Exhibit "8".
157. Effective December 23, 2010, pursuant to a certain Purchase Agreement, the Debtor purchased from American Realty Trust, approximately 257.05 acres of

⁹ These numbers are based on the Debtor's books and records and have been agreed to for the purposes of this hearing. Armed Forces reserves the right to challenge these numbers at a later date.

land in Farmers Branch, Dallas County, Texas, **commonly known as Valwood/Mercer Land** (the "American Realty Trust Property"), subject to the alleged liens and indebtedness of Armed Forces Bank and Propel, for a purchase price of \$28,400,000.00. A true and correct copy of that Purchase Agreement has been admitted into evidence as Wells Fargo Exhibit "142."

158. The purchase price included the Debtor's (i) assumption of mortgage debt, line of credit and property tax obligations encumbering the American Realty Trust Property with an approximate balance of \$23,207,613.84,¹⁰ (ii) American Realty Trust's trade debt for the American Realty Trust Property, and (iii) a Promissory Note, dated as of December 23, 2010, in the original principal amount of \$260,131.00, executed by the Debtor, as maker, and American Realty Trust, as payee (the "American Realty Trust Note"). A true and correct copy of the American Realty Trust Note has been admitted into evidence as Wells Fargo Exhibit "143."
159. Effective as of December 23, 2010, American Realty Trust executed a General Warranty Deed, wherein American Realty Trust deeded all of its right, title, and interest in and to the American Realty Trust Property to the Debtor. Such General Warranty Deed was recorded in Dallas County, Texas, on January 5, 2011, as Document Number 201100003403, and covered the American Realty Trust Property. A true and correct copy of that General Warranty Deed has been admitted into evidence as Wells Fargo Exhibit "144."
160. The Debtor stipulates that the loan documents between American Realty Trust and Armed Forces prohibit the transfer of the American Realty Trust Property to any third party without Armed Forces' prior written consent. The Debtor denies that the transfers and bankruptcy were without notice to the applicable secured lenders, and the Debtor denies that the transfer and assumption of indebtedness by the Debtor in any way harmed the applicable secured lenders or any other creditor, or constitute bad faith or any effort to hinder, delay or defraud the secured lenders or any other creditor, or constitute grounds for dismissal of this bankruptcy case. In contrast, the Moving Parties maintain that the transfers and bankruptcy were without notice to the applicable secured parties, and the assumption of indebtedness by the Debtor (i) harmed the applicable secured lenders and the other creditors; (ii) constitute bad faith; (iii) evidence the Debtor's effort to hinder, delay or defraud the secured lenders and the other creditors; or (iv) constitute grounds for dismissal of this bankruptcy case.
161. The Debtor stipulates that American Realty Trust did not seek or receive the prior written consent from Armed Forces to transfer the American Realty Trust Property to any third parties. The Debtor denies that the transfers and bankruptcy

¹⁰ The Debtor maintains that the Purchase Agreement for the American Realty Trust Property contains a typographical error, inasmuch as, according to the Debtor, the actual amount of mortgage debt, line of credit and property tax obligations should have been \$28,139,869.00, rather than \$23,207,613.84. The \$28,139,869.00 figure is listed in the resolutions of the buyer and seller signed contemporaneously with the Purchase Agreement.

were without notice to the applicable secured lenders, and the Debtor denies that the transfer and assumption of indebtedness by the Debtor in any way harmed the applicable secured lenders or any other creditor, or constitute bad faith or any effort to hinder, delay or defraud the secured lenders or any other creditor, or constitute grounds for dismissal of this bankruptcy case. In contrast, the Moving Parties maintain that the transfers and bankruptcy were without notice to the applicable secured parties, and the assumption of indebtedness by the Debtor (i) harmed the applicable secured lenders and the other creditors; (ii) constitute bad faith; (iii) evidence the Debtor's effort to hinder, delay or defraud the secured lenders and the other creditors; or (iv) constitute grounds for dismissal of this bankruptcy case.

XVIII. Transfer of Real Estate From TCI McKinney Ranch to the Debtor, Subject to the Alleged Liens of (i) Armed Forces Bank, and (ii) Propel

162. TCI McKinney Ranch, Inc., ("TCI McKinney Ranch") is a Nevada corporation. As of December 23, 2010, the officers and directors of TCI McKinney Ranch were those individuals set forth on the attached Wells Fargo Exhibit "1." As of the Petition Date, the officers and directors of TCI McKinney Ranch were those individuals set forth on the attached Wells Fargo Exhibit "2".
163. As of the Petition Date, the total amount of unsecured trade debt previously owed by TCI McKinney Ranch and assumed by the Debtor was \$0.00,¹¹ as set forth on Wells Fargo Exhibit "8".
164. Effective December 23, 2010, pursuant to a certain Purchase Agreement, the Debtor purchased from TCI McKinney Ranch, approximately 20.8445 acres of land in McKinney, Collin County, Texas, **commonly known as McKinney Ranch Land** (the "TCI McKinney Ranch Property"), subject to the alleged liens and indebtedness of Armed Forces and Propel, for a purchase price of \$5,400,000.00. A true and correct copy of that Purchase Agreement has been admitted into evidence as Wells Fargo Exhibit "149."
165. The purchase price included the Debtor's (i) assumption of mortgage debt and property tax obligations encumbering the TCI McKinney Ranch Property with an approximate balance of \$5,393,240.08 (ii) TCI McKinney Ranch's trade debt for the TCI McKinney Ranch Property, and (iii) execution and delivery of a Promissory Note, dated as of December 23, 2010, in the original principal amount of \$6,759.92, executed by the Debtor, as maker, and TCI McKinney Ranch, as payee (the "TCI McKinney Ranch Note"). A true and correct copy of the TCI McKinney Ranch Note has been admitted into evidence as Wells Fargo Exhibit "150."

¹¹ These numbers are based on the Debtor's books and records and have been agreed to for the purposes of this hearing. Armed Forces reserves the right to challenge these numbers at a later date.

166. Effective as of December 23, 2010, TCI McKinney Ranch executed a General Warranty Deed, wherein TCI McKinney Ranch deeded all of its right, title, and interest in and to the TCI McKinney Ranch Property to the Debtor. That General Warranty Deed was recorded in Collin County, Texas, on January 4, 2011, as Document Number 20110104000016120, and covered the TCI McKinney Ranch Property. A true and correct copy of that General Warranty Deed has been admitted into evidence as Wells Fargo Exhibit "151."
167. The Debtor stipulates that the loan documents between TCI McKinney Ranch and Armed Forces prohibit the transfer of the TCI McKinney Ranch Property to any third party without Armed Forces' prior written consent. The Debtor denies that the transfers and bankruptcy were without notice to the applicable secured lenders, and the Debtor denies that the transfer and assumption of indebtedness by the Debtor in any way harmed the applicable secured lenders or any other creditor, or constitute bad faith or any effort to hinder, delay or defraud the secured lenders or any other creditor, or constitute grounds for dismissal of this bankruptcy case. In contrast, the Moving Parties maintain that the transfers and bankruptcy were without notice to the applicable secured parties and the assumption of indebtedness by the Debtor (i) harmed the applicable secured lenders and the other creditors; (ii) constitute bad faith; (iii) evidence the Debtor's effort to hinder, delay or defraud the secured lenders and the other creditors; or (iv) constitute grounds for dismissal of this bankruptcy case.
168. The Debtor stipulates that TCI McKinney Ranch did not seek or receive the prior written consent from Armed Forces to transfer the TCI McKinney Ranch Property to any third parties. The Debtor denies that the transfers and bankruptcy were without notice to the applicable secured lenders, and the Debtor denies that the transfer and assumption of indebtedness by the Debtor in any way harmed the applicable secured lenders or any other creditor, or constitute bad faith or any effort to hinder, delay or defraud the secured lenders or any other creditor, or constitute grounds for dismissal of this bankruptcy case. In contrast, the Moving Parties maintain that the transfers and bankruptcy were without notice to the applicable secured parties, and the assumption of indebtedness by the Debtor (i) harmed the applicable secured lenders and the other creditors; (ii) constitute bad faith; (iii) evidence the Debtor's effort to hinder, delay or defraud the secured lenders and the other creditors; or (iv) constitute grounds for dismissal of this bankruptcy case.

**XIX. Transfer of Real Estate From ART Collection to the Debtor,
Subject to the Alleged Liens of Armed Forces Bank**

169. ART Collection, Inc. ("ART Collection") is a Nevada corporation. As of December 23, 2010, the directors and officers of ART Collection were those individuals set forth on the attached Wells Fargo Exhibit "1". As of the Petition Date, the officers and directors of ART Collection were those individuals set forth on the attached Wells Fargo Exhibit "2".

170. Effective December 23, 2010, pursuant to a certain Purchase Agreement, the Debtor purchased from ART Collection approximately 97.276 acres of land in Austin, Travis County, Texas, **commonly known as Pioneer Crossing** (the "ART Collection Property"), subject to the alleged liens and indebtedness of Armed Forces, for a purchase price of \$7,850,000.00. A true and correct copy of that Purchase Agreement has been admitted into evidence as Wells Fargo Exhibit "153."
171. As of the Petition Date, the total amount of unsecured trade debt previously owed by ART Collection and assumed by the Debtor was \$0.00,¹² as set forth on Wells Fargo Exhibit "8".
172. The purchase price included the Debtor's (i) assumption of mortgage debt encumbering the Pioneer Collection Property with an approximate balance of \$7,844,740.83, (ii) assumption of ART Collection's trade debt for the ART Collection Property, and (iii) execution and delivery of a Promissory Note, dated as of December 23, 2010, in the original principal amount of \$5,259.17, executed by the Debtor, as maker, and ART Collection, as payee (the "ART Collection Note"). A true and correct copy of the ART Collection Note has been admitted into evidence as Wells Fargo Exhibit "154."
173. Effective December 23, 2010, ART Collection executed a General Warranty Deed, wherein ART Collection deeded all of its right, title, and interest in and to the ART Collection Property to the Debtor. That General Warranty Deed was recorded in Travis County, Texas, on January 4, 2011, as Document Number 2011001167, and covered the ART Collection Property. A true and correct copy of that General Warranty Deed has been admitted into evidence as Wells Fargo Exhibit "155."
174. The Debtor stipulates that the loan documents between ART Collection and Armed Forces prohibit the transfer of the ART Collection Property to any third party without Armed Forces' prior written consent. The Debtor denies that the transfers and bankruptcy were without notice to the applicable secured lenders, and the Debtor denies that the transfer and assumption of indebtedness by the Debtor in any way harmed the applicable secured lenders or any other creditor, or constitute bad faith or any effort to hinder, delay or defraud the secured lenders or any other creditor, or constitute grounds for dismissal of this bankruptcy case. In contrast, the Moving Parties maintain that the transfers and bankruptcy were without notice to the applicable secured parties, and the assumption of indebtedness by the Debtor (i) harmed the applicable secured lenders and the other creditors; (ii) constitute bad faith; (iii) evidence the Debtor's effort to hinder, delay or defraud the secured lenders and the other creditors; or (iv) constitute grounds for dismissal of this bankruptcy case.

¹² These numbers are based on the Debtor's books and records and have been agreed to for the purposes of this hearing. Armed Forces reserves the right to challenge these numbers at a later date.

175. The Debtor stipulates that ART Collection did not seek or receive the prior written consent from Armed Forces to transfer the ART Collection Property to any third parties. The Debtor denies that the transfers and bankruptcy were without notice to the applicable secured lenders, and the Debtor denies that the transfer and assumption of indebtedness by the Debtor in any way harmed the applicable secured lenders or any other creditor, or constitute bad faith or any effort to hinder, delay or defraud the secured lenders or any other creditor, or constitute grounds for dismissal of this bankruptcy case. In contrast, the Moving Parties maintain that the transfers and bankruptcy were without notice to the applicable secured parties, and the assumption of indebtedness by the Debtor (i) harmed the applicable secured lenders and the other creditors; (ii) constitute bad faith; (iii) evidence the Debtor's effort to hinder, delay or defraud the secured lenders and the other creditors; or (iv) constitute grounds for dismissal of this bankruptcy case.

XX. Additional Transactions.

176. Effective December 23, 2010, pursuant to a Purchase Agreement, the Debtor purchased from One Realco Corporation, a Nevada corporation ("One Realco"), a promissory note made by Woodmont TCI Group XIV, L.P., payable to the order of ABC and subsequently endorsed to One Realco in the amount of \$4,095,200, for a purchase price of \$4,394,588.02. A true and correct copy of that purchase agreement has been admitted into evidence as Wells Fargo Exhibit "156."

177. The purchase price was paid by the Debtor by its assumption of (i) the debt which One Realco owed to ABC pursuant to the Promissory Note dated October 28, 2009 in the original principal amount of \$4,325,855.00, with an approximate balance of \$4,394,588.02, and (ii) One Realco's trade debt for the property owned by Thornwood Land & Cattle, LLC.

178. Effective December 23, 2010, pursuant to an Assignment of Tenant's Interest in Lease, Transcontinental assigned to the Debtor all of Transcontinental's interests as Tenant under a Triple Net Lease dated as of September 3, 2004, with Sidney Wicks as Landlord (the "Sidney Wicks Lease"), covering certain real property in Dallas County, Texas. A true and correct copy of such assignment has been admitted into evidence as Wells Fargo Exhibit "157."

179. In connection therewith, pursuant to an Assignment of Interest in Subleases, effective December 23, 2010, Transcontinental also assigned the Debtor all of Transcontinental's right, title and interest as Master Tenant in the Subleases (each, as defined therein) of the premises covered by the Sidney Wicks Lease . A true and correct copy of that assignment has been admitted into evidence as Wells Fargo Exhibit "158."

180. The Debtor stipulates that Transcontinental did not seek or receive the prior written consent from Wicks to transfer the Sidney Wicks Lease and associated interests to any third parties. The Debtor denies that the transfers and bankruptcy

were without notice to the applicable landlord, and the Debtor denies that the transfer and assumption of indebtedness by the Debtor in any way harmed the applicable landlord or any other creditor, or constitute bad faith or any effort to hinder, delay or defraud the secured lenders or any other creditor, or constitute grounds for dismissal of this bankruptcy case. In contrast, the Moving Parties maintain that the transfers and bankruptcy were without notice to the applicable landlord, and the assumption of indebtedness by the Debtor (i) harmed the applicable secured lenders, applicable landlord and the other creditors; (ii) constitute bad faith; (iii) evidence the Debtor's effort to hinder, delay or defraud the secured lenders, the applicable landlord and the other creditors; or (iv) constitute grounds for dismissal of this bankruptcy case. Wicks also maintains that the assignment of Sidney Wicks Lease and associated interests without consent was not valid or effective.

181. Effective December 23, 2010, pursuant to a Purchase Agreement, ABCLD Properties purchased from Continental Signature, Inc., a Nevada corporation ("Continental Signature"), all of Continental Signature's general partnership interests (99.995%) in Signature Athletic Limited Partnership, a Texas limited partnership ("Signature Athletic"), for \$2,100,000.00. A true and correct copy of such purchase agreement has been admitted into evidence as Wells Fargo Exhibit "159" and is incorporated herein for all purposes.
182. The purchase price included ABCLD Properties' (i) assumption of mortgage debt encumbering the property with an approximate balance of \$1,243,761, (ii) assumption of all trade debt associated with the property owned by Signature Athletic, and (iii) execution and delivery of a Promissory Note, dated as of December 23, 2010, in the original principal amount of \$856,239.00, executed by ABCLD Properties, as maker, and Continental Signature, as payee (the "Continental Signature Note"). A true and correct copy of the Continental Signature Note has been admitted into evidence as Wells Fargo Exhibit "160", which is incorporated herein for all purposes.
183. Effective December 27, 2010, pursuant to a Distribution Agreement, Continental Signature distributed the Continental Signature Note to Continental Mortgage and Equity Investors, Inc., a Nevada corporation ("Continental Mortgage"), which was the parent of Continental Signature. An allonge in favor of Continental Mortgage was executed by Continental Signature and attached to the Continental Signature Note effective the same date. True and correct copies of such Distribution Agreement and the allonge have been admitted, collectively, into evidence as Wells Fargo Exhibit "161" and are incorporated herein for all purposes.
184. Effective December 27, 2010, pursuant to a Purchase Agreement, ABCLD Income purchased from Continental Mortgage, all of Continental Mortgage's capital stock in Continental Signature, for \$1,000.00 cash, to be paid at closing. Continental Mortgage executed a stock power with certificate in favor of ABCLD Income, on the same date. True and correct copies of such purchase agreement and the stock

power have been admitted, collectively, into evidence as Wells Fargo Exhibit "162" and are incorporated herein for all purposes.

185. Effective December 23, 2010, pursuant to a Purchase Agreement, ABCLD Properties purchased from EQK Holdings, Inc., a Nevada corporation ("EQK Holdings"), all of EQK Holdings' general partnership interests (1%) and limited partnership interests (98%) in NLP Cooley Associates, LP, a Texas limited partnership ("NLP Cooley"). EQK Holdings executed an assignment of partnership interest in favor of ABCLD Properties, effective the same date. True and correct copies of such purchase agreement and the assignment of partnership interest have been admitted, collectively, into evidence as Wells Fargo Exhibit "163" and are incorporated herein for all purposes.
186. The purchase price included ABCLD Properties (i) assumption of mortgage debt encumbering property owned by NLP Cooley in the approximate amount of \$2,583,553.08, (ii) assumption of all trade debt associated with the property owned by NLP Cooley, and (iii) execution and delivery of a Promissory Note, dated as of December 23, 2010, in the original principal amount of \$256,446.92, executed by ABCLD Properties, as maker, and EQK Holdings, as payee (the "EQK Holdings Note"). A true and correct copy of the EQK Holdings Note has been admitted into evidence as Wells Fargo Exhibit "164," which is incorporated herein for all purposes.
187. Effective December 23, 2010, pursuant to a Purchase Agreement, ABCLD Properties purchased from EQK Holdings, LLC, a Nevada limited liability company ("EQK Holdings LLC") all of EQK Holdings LLC's limited partnership interests (1%) in NLP Cooley. EQK Holdings LLC executed an assignment of partnership interest in favor of ABCLD Properties, effective the same date. True and correct copies of such purchase agreement and the assignment of partnership interest have been admitted, collectively, into evidence as Wells Fargo Exhibit "165" and are incorporated herein for all purposes.

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