

1 Edward Chang (SBN 268204)
echang@mcnamarallp.com
2 MCNAMARA SMITH LLP
655 West Broadway, Suite 1600
3 San Diego, California 92101
Tel.: 619-269-0400
4 Fax: 619-269-0401

5 *Attorneys for Receiver,*
Thomas W. McNamara

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7
8 SUPERIOR COURT OF THE STATE OF CALIFORNIA
9 COUNTY OF SAN DIEGO

10
11 PEOPLE OF THE STATE OF CALIFORNIA,
12 by and through the COMMISSIONER OF
BUSINESS OVERSIGHT,

13 Plaintiff,

14 v.

15 SILVER SADDLE COMMERCIAL
16 DEVELOPMENT, LP, a California limited
partnership; SILVER SADDLE RANCH &
17 CLUB, INC., a California corporation; THE
GALILEO COMMERCIAL PROPERTY
18 OWNERS ASSOCIATION, INC., a California
non-profit corporation; THOMAS M. MANEY,
19 an individual; and DOES 1 through 100,
inclusive,

20 Defendants.

21 And,

22 MARIAN G. DUCREUX, an individual;
23 CLIFFORD J. REYNOLDS, an individual;
WAYNE A. PEDERSEN, an individual; and
24 Relief Does 1 through 10, inclusive,

25 Relief Defendants.
26
27
28

Case No. 37-2019-00049151-CU-MC-CTL

RECEIVER'S PRELIMINARY REPORT

Judge: Hon. Joel R. Wohlfeil
Dept.: C-73
Action filed: September 9, 2019
Trial Date: None Set Yet

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1 I.

2 INTRODUCTION

3 I was appointed Receiver of the Receivership Defendants¹ by the Temporary Restraining
4 Order entered September 24, 2019 (“TRO”). The TRO instructs the Receiver to file an initial
5 inventory of property within 30 days and a detailed report of findings as to the condition of the
6 Receivership Defendants within 120 days. I submit this Preliminary Report in advance of those
7 deadlines to provide the Court a summary of my team’s preliminary observations and initial
8 actions before the order to show cause hearing, currently scheduled for October 16, 2019.

9 My primary findings to date can be summarized as follows:

- 10 • Defendant Maney has been involved in California City land sales since 1975. In
11 2011, he shifted direction and began selling fractionalized interests in a 1,020 acre
12 parcel, the Galileo Project.²

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¹ Receivership Defendants are defined in the TRO as Defendants Silver Saddle Commercial
16 Development, LP (“SS Development”); Silver Saddle Ranch & Club, Inc. (“SS Ranch”); The
17 Galileo Commercial Property Owners Association, Inc. (“the Association”), as well as any other
18 entity that has conducted any business related to Defendants’ offering and selling of the Galileo
19 Project investment contracts, including receipt of assets derived from any activity that is the
20 subject of the Complaint in this matter, and that the Receiver determines is controlled or owned
21 by any Defendant (hereinafter “Receivership Defendants”), and their respective subsidiaries and
22 affiliates, and their successors and assigns wherever situated, or to which Receivership
23 Defendants have any right of possession, custody or control, beneficially or otherwise,
24 irrespective of whosoever holds such assets, including all such assets which Receivership
25 Defendants carry or maintain, or which may be received during the pendency of this
26 receivership, in order to obtain an adequate accounting of Receivership Defendants’ assets and
27 liabilities and to secure a marshalling of said assets.

28 ² Tom Maney and long-time employee and consultant, Debra Nicastro, were interviewed by an
investigative reporter in March and June of this year. They recorded the interviews, which we
located on the companies’ computer system. Some of the facts set forth in this Report come
directly from the recorded statements of Mr. Maney and Ms. Nicastro, including the following
background: Defendant Maney became involved in selling California City real estate since 1975
when he started working for the Hunt Brothers from Texas (Bunker and Herbert Hunt) who
acquired most of California City from the original developer. In 1987, Mr. Maney became the
majority owner of Silver Saddle Ranch and Club, Inc. which purchased the resort, receivables
and inventory. For the next 21 years, land sales (California City lots) were the focus of the
business. The recession in 2008-2010 essentially halted all land sales. In late 2011, Maney
began selling fractional interests in the Galileo Project, which is the subject of this lawsuit. *See*
also Exhibit 1.

- 1 • From the outset, the sales process targeted Filipino, Chinese and Hispanic
2 communities, where English is a second language. Sales teams and marketing
3 materials have mirrored their ethnicity and native languages.
- 4 • The sales process combined deceptive and puffed up presentations and aggressive
5 hard sell tactics which often left investors confused and harried. Efforts to cancel
6 and requests for refunds were met with hard and swift refusals.
- 7 • The sales teams were incentivized to “close the deal” with rich commissions (10-
8 14% for the best agents) and other perks for nearly every player in the sales
9 process. Incentives extended to all functions that generated revenues – escrow
10 overrides, collection bonuses, even “podium” fees.
- 11 • Through lavish referral fees paid to investors who brought in new investors,
12 defendants established and rewarded an informal multi-level-marketing machine.
- 13 • At all times, and at present, Defendant Maney has controlled defendants SS
14 Ranch, SS Development, and the Association.
- 15 • Defendants misappropriated more than \$2.3 million of investor funds supposedly
16 contributed to the Capital Improvement Fund from 2012 to 2018. Only after the
17 DBO investigation commenced did they make accounting “reconciliations” and
18 purport to return those funds by claiming to transfer \$2.3 million in investor notes
19 to the Capital Improvement Fund.
- 20 • The Silver Saddle Ranch and Club Resort (the “Ranch”) is not a self-sustaining
21 operation and has never operated at a profit. It is a loss leader – a sales prop to
22 house, entertain, and lure potential investors. It generally runs at a loss near
23 \$1.5 million per year.
- 24 • SS Development is also unprofitable, in large part due to enormous sales
25 incentives. In 2018, losses were \$341,000 on \$7 million in revenue.

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1 **II.**

2 **SECURING THE PREMISES AND ASSETS**

3 As authorized by the TRO (Paragraphs 1, 3-4), we immediately secured the two premises
4 from which Receivership Defendants are conducting business – the corporate offices in Burbank
5 and the ranch property in California City – and took initial steps to secure and protect assets.

6 **A. Corporate Offices – 7635 N. San Fernando Road, Suite A, Burbank, CA**

7 We took control of these offices beginning at 10:00 a.m. on Wednesday, September 25,
8 2019 with the initial support of three California Highway Patrol officers. We were accompanied
9 by two California Division of Business Oversight (“DBO”) investigators. We retained a
10 locksmith who changed all exterior locks, ensuring the Receiver’s exclusive control of the
11 premises.

12 The site is an office suite of approximately 4,000 square feet (seven offices and thirteen
13 cubicles) on the second floor of an industrial office building adjacent to the Burbank airport. It
14 has served as the primary business office for Receivership Defendants SS Development,
15 SS Ranch, and the Association.

16 Upon our arrival, eight employees were onsite, including Maria Rosales, a long-time
17 employee and presently the Executive Vice President. The personnel were all cooperative,
18 completed questionnaires, and responded to our inquiries. Over the next several hours, we
19 interviewed the employees. We later spoke via phone and in person with Debra Nicastro, who
20 since mid-2018 has served as a consultant and an executive at the companies. In the last few
21 months, she returned to a consultant role.³

22 ///

23 _____
24 ³ We found Ms. Nicastro articulate and knowledgeable. She has a long history with Defendant
25 Tom Maney’s companies in California City. From roughly 1980 until 2010, Ms. Nicastro
26 worked at Great Western Cities and SS Ranch. During this time, the companies were selling real
27 estate lots in California City desert area. She left SS Ranch in roughly 2010 prior to the
28 company’s pivot to selling fractional interests in the Galileo Project at issue in this case. She
noted that one of the reasons she left was that she was troubled by the amount of control the sales
team was exercising over the operation. After the DBO initiated administrative proceedings
against the companies, Tom Maney contacted Ms. Nicastro in mid-2018 to come back and
attempt to repair operations. Upon her return, she again observed that the sales operations
dominated business decisions and resulted in an outsized proportion of costs.

1 Nearly all financial, operations, customer service, and administrative functions have been
2 managed from the Burbank location. During employee interviews, we learned the basic
3 workflow of the operation. Before sales of undivided interests stopped in December 2018, all
4 sales functions and execution of sales documents occurred at the Ranch during weekend sales
5 events. The completed sales documents were transferred to the Burbank office every Monday
6 where employees audited them, opened escrow in house,⁴ and later closed escrow either after
7 investors paid in full or paid the 20% down payment and made arrangements to pay the
8 remaining balance (i.e., promissory note or payment in full within a short period of time). To
9 encourage investors to pay in full, Defendants offered free lots in Pahrump, Nevada or Kern
10 County to investors who paid within 120 days. The Burbank location also addressed investors'
11 customer service inquires (i.e., payment questions, cancellation requests, etc.).

12 At our arrival, staff were in the midst of packing up the voluminous paper records onsite
13 and preparing to close the Burbank office. Sales events had not been operational for a year and
14 all extraordinary collections efforts ceased a few months ago. As a result, the plan was to close
15 the Burbank office in early October. All of the boxed records were to be sent to the Ranch in
16 California City for storage.⁵

17 We retained a computer forensic firm to accompany us during our initial entry into the
18 Burbank office. They took immediate steps to terminate the ability to remotely access data and
19 ensure no changes to the data could be made. We then identified certain computers to
20 forensically image. We also gained administrative control of the email system.

21 After the employees left the offices, we began to review files, documents and emails. We
22 returned to the offices on Friday, September 27 to continue the review of the voluminous hard
23
24

25 ⁴ Instead of using a traditional escrow or title company, escrow was performed in house and the
26 funds were deposited in the Nile A. Almudarris trust account. Mr. Almudarris was also
Defendants' real estate broker.

27 ⁵ We have since brought in former employees as contractors to complete the packing of the
28 Burbank office and a nearby storage unit. We intend to have the records moved to the Ranch
and vacate the Burbank space by the end of October.

1 copy documents. We continue to review emails, spreadsheets, bank statements, and other
2 electronic data.

3 **B. Silver Saddle Ranch & Club – 20751 Aristotle Drive, California City, CA**

4 We arrived at the Ranch with the support of four uniformed California Highway Patrol
5 officers at 10:00 a.m. on Wednesday, September 25, 2019. The Ranch location is remote –
6 literally in the middle of the desert, 15 miles from the small town of California City. The
7 property covers approximately 110 acres. There are six primary building structures – Club
8 House of approximately 14,000 square feet that includes a restaurant, saloon, game room,
9 library, hotel lobby, fitness center, and offices; Administration building of approximately 3,000
10 square feet with work spaces for five administrative staff; a Sales Pavilion of approximately
11 7,000 square feet which was the locus for the sales teams’ hard sell tactics to close investors; and
12 three buildings with a total of 48 motel-type rooms of various size and capacity.

13 There is a stable and adjacent corrals for animals – livestock population at our entry
14 included 8 horses, 2 donkeys, 1 pig, 10 goats, 10 sheep, 7 chickens, 2 alpacas, 1 llama and
15 2 peacocks; some of these animals are the property of the Stables Director. There are also a
16 variety of resort-like amenities, including two swimming pools, hot tub, three man-made lakes,
17 camp sites, RV park, campsites, and various sports activities (miniature golf, trap and skeet
18 shooting, archery, basketball, tennis, volleyball, and badminton courts, etc.) *See* Exhibit 2 for a
19 map of the Ranch and Exhibit 3 for Defendants’ basic brochure which describes the facilities and
20 activities of this “resort oasis”.

21 At our arrival, there was minimal activity and we confirmed that the Ranch has been
22 effectively “shut down” since early September 2019. None of the 48 hotel rooms have been
23 occupied since Labor Day weekend and all reservations through November 2019 were recently
24 cancelled. Nearly all staff had been recently laid off or furloughed.

25 The remaining staff included the Resort Facilities Director (James Nale), Resort Office
26 Manager (Cecilia Gonzalez), Stables Director and Trail Boss (Kim Kunkle), and three stable
27 hands. All six of them were present when we arrived, were cooperative and responded to our
28 inquiries. We also interviewed two other staff who responded to our requests to come to the

1 Ranch – Peter Prisacarou, the Ranch accountant, and Nile Almudarris who was actively involved
2 in the sales process.

3 In full operation, the Ranch employed approximately 50 individuals, composed of
4 support staff (front desk, housekeeping, kitchen, etc.), supervisors, managers, maintenance and
5 security.

6 We retained a locksmith who changed the exterior locks to all buildings. Since a public
7 road runs through the property, it is not possible to prevent all forms of access to the property,
8 but we did make arrangements to secure the main entry gate, allowing access only as necessary.⁶

9 Throughout the day on September 25, we reviewed hard copy documents housed in the
10 Administrative and Sales Pavilion buildings. We continued that review on Sunday,
11 September 29.

12 We have since made arrangements with James Nale and Kim Kunkle to continue as
13 contractors to the receivership. Mr. Nale will act as our on-site presence to control and monitor
14 public access to the property and to manage and protect the property, including all efforts to
15 contain costs. Ms. Kunkle will relocate as many animals as possible and provide necessary care
16 to those on site.

17 C. Bank Accounts

18 Commencing at 10 a.m. on September 25, 2019, the DBO and the Receiver served the
19 asset freeze notice on banks and other financial institutions at which Defendants were known to
20 have accounts. The frozen balances in those accounts total \$800,093.58 as detailed below.

21	Account Name	Bank	Acct. No.	Amt. Frozen
22	Silver Saddle Commercial, LP	Mission Bank	9428	\$9,569.98
23	Silver Saddle Commercial, LP	JPMC	9388	\$133,747.85
24	Silver Saddle Commercial, LP	Wells Fargo	7960	\$29.89
25	Silver Saddle Ranch and Club, Inc.	Mission Bank	1341	\$6,447.11
26	Silver Saddle Ranch and Club, Inc.	Wells Fargo	7952	\$2,489.84

27 ⁶ Since the Ranch is more than 100 acres with public road access, physically securing the entire
28 property is not financially feasible. The buildings have been secured and gates have been
erected. Nevertheless, individuals, including a significant number of bird watchers, continue to
visit the property.

Account Name	Bank	Acct. No.	Amt. Frozen
The Galileo Commercial Property Owners Association, Inc.	Mission Bank	9410	<u>\$647,808.91</u>
Total			\$800,093.58

Based on these accounts, I can report to the Court, pursuant to Paragraph 16 of the TRO, that a receivership is economically viable as sufficient assets are available to fund the receivership.

D. Notice to Investors/Members/Property Owners

On Friday, October 11, we sent an email to the investors. In that communication, we explained that the California Department of Business Oversight had brought suit in the San Diego Superior Court against Silver Saddle Ranch and Club, Inc., Silver Saddle Commercial Development, LP, Galileo Commercial Property Owners Association, Inc., Thomas Maney and others. We noted that a Temporary Restraining Order had been entered and a receiver appointed. We encouraged investors to visit the receiver’s website where the pleadings as well as a series of Frequently Asked Questions are available and noted the upcoming October 16 hearing.

E. Cooperation

As noted above, staff personnel have been cooperative. Similarly, defense counsel and Defendant Maney have been cooperative. We have spoken to defense counsel regularly and had one telephone call with counsel and Mr. Maney.

F. Compliance with TRO

Given that Defendants’ sales efforts have been on hiatus and the Sales Pavilion unmanned since last year, our primary steps to prohibit further violations were to secure the premises in Burbank and California City and suspend the very minimal operations currently ongoing.

Paragraph 13 of the TRO authorizes the Receiver to carry on any lawful activity of Receivership Defendants. To date, I cannot identify any activity which could proceed as a lawful and profitable business.

///

1 **G. Additional Receivership Defendants**

2 The TRO at Paragraph 21 grants the Receiver the power to designate additional
3 Receivership Defendants if they fall within the definition contained in Paragraph 1 at page 5,⁷
4 which includes “as any other entity that has conducted any business related to Defendants’
5 offering and selling of the Galileo Project investment contracts, including receipt of assets
6 derived from any activity that is the subject of the Complaint in this matter, and that the Receiver
7 determines is controlled or owned by any Defendant” I have informed the parties that I
8 believe MCQ Corporation and High Plains Mesa LLC, both owned and controlled by Defendant
9 Maney, to be such additional Receivership Defendants.

10 **III.**

11 **BUSINESS OPERATIONS**

12 Our review of operations confirms that Receivership Defendants’ business model was
13 simple: secure investments in fractional interests in vacant desert land (the Galileo Project)
14 through a strategy called LandBanking Plus from largely unsophisticated investors with
15 aggressive sales weapons based on exaggeration, puffery and, indeed, misrepresentation. We
16 need not elaborate on the DBO’s detailed allegations and voluminous evidence, but summarize
17 below the key ingredients of this business as confirmed by our review of operations to date.

18 **A. The Silver Saddle Ranch**

19 The Ranch has been an integral piece of Defendant’s investor pitch from the outset. It is
20 described in idyllic terms in Defendants’ marketing materials. A five-minute video presentation
21 invites viewers to an “unforgettable getaway in southern California’s most affordable resort
22 location”, calling it an “authentic American cowboy ranch”, a “perfect paradise” where the
23 “adventure never ends”. The basic brochure, (available in English, Spanish and Chinese), extols
24 the various activities at this resort oasis getaway. *See* Exhibit 3.

25 Mr. Maney oversaw the completion of the Ranch in the early 1980s. It has never been a
26 self-sustaining operation. In the first six months of 2019 alone, the Ranch lost more than
27

28

⁷ The full text of Paragraph 1 is set forth on Page 1, footnote 1.

1 \$600,000. *See* Exhibit 4. Rather, it has always been used as a loss leader marketing tool.⁸ In the
2 interview with a reporter, Ms. Nicastro stated that the Ranch was never a money making
3 operation and that the annual Ranch subsidy was approximately \$1.4 million. In a December
4 2018 email, Ms. Nicastro stated that ideally the Ranch subsidy should be below \$1.5 million
5 annually and attached a 2007 cash flow pro forma that allocated \$1.9 million for the subsidy.⁹

6 On-site pricing was customer friendly. Ranch amenities are free to members and rooms
7 were available at a discounted rate of \$55 per night, or free when members brought a referral
8 (potential investor) to the Ranch. Ms. Nicastro also reported that Defendants only recently
9 started charging customers for food and dining, which required the purchase of a dedicated credit
10 card terminal for the restaurant and training the employees how to run credit card charges. As a
11 result, Ranch-specific revenues have been minimal.

12 Defendants promotional materials highlight that membership in the Association includes
13 the “one of a kind opportunity” to be a member of the Ranch and the exclusive ownership right
14 to the Ranch, its operations and its cash flow. These benefits are exaggerated:

- 15 • The membership is not entirely free¹⁰ and members who came to the Ranch
16 without a referral had to pay to stay overnight. Access was expanded over the
17 summer to permit some public access (prior to the shut down in September).
- 18 • The Association did hold an irrevocable option to buy the Ranch at \$500,000,
19 which could be funded by the Capital Improvement Fund, but the exercise of that
20 option was subject to crippling conditions: an expiration date (March 31, 2015,
21 later extended to January 2017); the option was not effective until
22 SS Development sold 2,000 undivided interests, a milestone which has never
23 been met because of the large percentage of investors who default; the

24 _____
25 ⁸ It costs Defendants approximately \$600 per night to house, feed, and entertain a potential
26 investor at the Ranch. Ms. Nicastro estimated cost of sale at 40% and perhaps as high as 50% if
the Ranch subsidy were included.

27 ⁹ There is substantial deferred maintenance throughout the Ranch.

28 ¹⁰ The unit purchase documents added \$41 to the monthly payments – \$40 for association dues
and \$1 for property taxes. \$26.67 of the \$40 was allocated to Ranch dues.

1 Association could only exercise the option upon approval of 51% of the
2 Members; and given the financial realities of the Ranch the financial wisdom of
3 any purchase was unclear.

4 **B. Identify the Vulnerable Target Audience**

5 The start point for this enterprise was Defendants' skillful identification and pursuit of
6 the most vulnerable possible target audience. The target audience they selected was extremely
7 narrow: Asians (principally Filipino and Chinese) and later Hispanic consumers who shopped at
8 ethnic supermarkets. For most of them, English was their second language. *See* Exhibit 5.
9 These are the targets Defendants have pursued over eight years to invest in the Galileo Project.¹¹

10 To locate and access this target population, defendants worked with ethnic supermarkets
11 throughout California. Raffles promising luxurious prizes (cars, trips to the Philippines, etc.)
12 were set up in and outside the ethnic markets. Defendants had "reservationists" (often from the
13 same ethnic community) then call every person who completed a raffle ticket to inform them
14 they won a "consolation" prize: a trip to the Ranch (in the early years) or to a dinner party (in the
15 later years). At the dinner party, where strict rules limited who could come (husband and wife,
16 no children), the sales team would pitch a free night at the Ranch. Any prospect who completed
17 a tour at the Ranch was "guaranteed" a fabulous gift with no obligation to purchase anything.
18 *See* Exhibit 7.

19 The end game of the initial marketing at the ethnic supermarkets was to lure prospects to
20 the Ranch. The typical complimentary visit included free accommodations for one night, dinner
21

22 ¹¹ Indeed, a memorandum located from Maney's days of land sales (circa 2005) reveals that
23 Asians were always a primary sales target. Wayne Pedersen, at the time a senior executive for
24 Maney wrote: "I think that the major reasons for our present successes are due to the Referral
25 program and the marketing to Asians. I think we should stick with the format since we know it
26 works. The Asians have money, they are not marketed heavily by our type of business and they
27 produce referrals. Our extreme efforts to market these people in their language (both written and
28 verbal) and our efforts to make them feel welcomed and comfortable at our ranch and most
importantly, having Sales people who speak and understand their cultures had paid off
handsomely. Not too many organizations can or will do all of the above. Many of the Asian
cultures understand network marketing. They have large extended families living in California.
They are used to families taking care of their fellow families. The trust and bond in their
extended families are strong. This is why they work the referral system so well. I also think we
could target similar ethnic groups that have the same profile." *See* Exhibit 6.

1 and then breakfast the next morning, and limited passes for some Ranch amenities. The big
2 event was the “tour” of the Galileo Project which followed breakfast and culminated at the Sales
3 Pavilion.

4 **C. Commissions and Referral Fees**

5 The standard “tour” ended with delivery of prospects to the main floor of the Sales
6 Pavilion where the hard sell commenced through sales personnel highly incentivized to sell.

7 The Sales Pavilion building itself is a marketing weapon. Its walls are adorned with
8 pictures and graphics highlighting real estate success and wealth in general and opportunity in
9 California City. The entry hall features framed photographs of Howard Hughes and other “Land
10 Barons” and “Then and Now” photographs which show enormous development and change in
11 Las Vegas, Hollywood, Westwood, Beverly Hills, San Fernando Valley and Palmdale.

12 As they arrived from the tour, each prospect met with an assigned sales agent at one of
13 the approximately 20 tables set out for this purpose. They were also supported by “managers” in
14 one of the two closed offices. Chinese, Spanish, and English versions of brochures were
15 available, as well as translators. In this context, investors were presented with a flurry of legal
16 documents and encouraged to sign.¹²

17 Aggressive commissions and incentives were paid in myriad forms to multiple personnel:

- 18 • The sales teams were highly compensated with commissions. Internal records
19 indicate that the overall average for sales agent commissions on completed sales
20 was 12.4%. The best salespeople earned 11-14%, the sales manager took 1.5%,
21 the marketing manager between 0.5-2%, and the Executive Vice President
22 received a 0.5% override.
- 23 • Special “spiffs” were paid for deals with the most favorable terms for the seller
24 like all cash or immediate down payment, even a “podium spiff” for making a
25 presentation.

26
27 ¹² These documents included Undivided Interest Disclosure; Purchase Agreement and Escrow
28 Instructions; Truth in Lending Disclosure; Change of Ownership Report; Promissory Note; Deed
of Trust; Grant Deed; and, of course, Automatic Transfer Authorization and Agreement.

- 1 • Incentives were extended to nearly every aspect of the business – for example,
2 bonuses and overrides were paid on escrow closings and collections.

3 All of these incentives resulted in sales charges being one of the largest operational cost
4 components. Defendants’ internal profit and loss calculations for the period March 2012 to
5 September 2018 show sales and advertising expense of \$10.8 million. In 2018 alone, the internal
6 profit and loss calculations indicate \$7 million in sales and \$1.2 million in commissions (not
7 counting the various and sundry spiffs, bonuses or the referral fees (discussed below)).

8 Defendants also sought to activate existing unit owners as a secondary sales force – a
9 “network marketing” or multi-level marketing approach – by offering referral fees. *See*
10 Exhibit 8. “Dear LBP Owner” letters from Maney reminded owners of the benefits of unit
11 ownership and encouraged them to bring friends and family and flashy brochures highlighted the
12 money to be made and the prizes to be won. *See* Exhibit 9.

13 Referral benefits escalated depending on whether the referral just visited the Ranch, took
14 the tour, or actually contracted to buy a unit. In the final category, the referring owners could
15 receive cash of \$1,000 - \$2,000, a \$10,000 bonus if 10 deals closed, and a chance to win other
16 big prizes, even including a residential lot near Las Vegas. In 2018, internal emails indicate that
17 referral fees totaled between \$750,000 and \$820,000. The internal profit and loss calculations
18 show SS Development had \$2,780,577 in sales and advertising expense in 2018 – equal to 40%
19 of total revenue.

20 **D. LandBanking Plus – the Galileo Project**

21 Defendants investment offering boiled down to a bundle of related features: an undivided
22 interest in the 1,020 acre parcel of desert land; membership in the Association that would
23 manage the undivided interests, which included a development fund that could be as big as \$8
24 million; and membership in, and the option to actually buy, the Ranch. The two primary
25 brochures highlighted these features. *See* Exhibit 10.

26 The real property component of the offering – the Galileo Project – was presented as
27 4,000 undivided interests, each representing approximately one-quarter acre. The undivided
28 interest ownership concept, no doubt confusing to even sophisticated consumers, was dressed up

1 and presented as LandBanking Plus, described as an “innovation in group purchasing power”
2 which allowed small investors to pool money with other small investors to own and control a
3 large parcel of prime real property.

4 The property itself was described in grandiose terms as “prime developable property” in
5 the “path of a new gold rush.”¹³ In fact, the acreage was a remnant of the land Defendant Maney
6 originally purchased in 1987. After twenty-one years of selling individual residential lots (and
7 following the Great Recession), Maney pivoted in 2011 to the undivided interest vehicle as to
8 these 1,020 acres.¹⁴ While such grandiose claims may be attributed to typical marketing puffery,
9 some specific claims about the property push credulity:

- 10 • *Already serviced by paved roads, electricity, telephone, piped water.* The paved
11 roads and utilities are absolutely minimal.
- 12 • *Bordered by thousands of individually zoned, residential, multiple family, and*
13 *estate properties as well as new homes and construction.* Most of the residential
14 zoned properties are vacant desert lots, new homes and new construction are de
15 minimus.
- 16 • *The area has experienced unprecedented growth.* This is not accurate.
17 According to U.S. Census data, California City’s population grew from 14,120 in
18 2010 to 14,207 in 2018 – an increase of 97 people in eight years. This is hardly
19 unprecedented growth.

20 Beginning June 2018, full units of the Galileo Project were priced at \$31,990 (\$41,990
21 less “First Day Incentive” of \$10,000) (which included \$2,000 for the Capital Improvement Fund

22 ///

23 ///

24 _____
25 ¹³ Other grandiose claims include: the property was “directly in the path of the areas
26 unprecedented and historic growth”; Billionaires Paul Allen and Richard Branson are doing
27 business in the area; “one of a kind property” with a “once in a lifetime” “region’s growth and
28 expansion.”

¹⁴ We reviewed internal memoranda revealing the fractional interest sales vehicle was being
discussed as early as 2005.

1 described below). Half and quarter units were priced at \$21,990 and \$15,990.¹⁵ At \$31,990 per
2 unit, the sale of 4,000 units would aggregate to \$127 million or \$127,000 per acre.

3 By any measure, such pricing was astronomical and not supported by any market metric. In a
4 Declaration filed in support of the TRO, Joseph Aiu, a California Department of Real Estate
5 (“DRE”) appraiser and current DRE investigator placed the value of the property at \$1,350 per
6 acre and \$337.59 per individual unit. In its most recent assessment, the Kern County Treasurer –
7 Tax Collector has assessed the 1,020 acres, comprised of eight separate APNs, at an aggregate of
8 \$1,100,328 – \$1,078 per acre and \$269.68 per undivided interest

9 **E. The Association**

10 Defendants’ promotional materials represented that each investor’s ownership and
11 control of their unit was provided and protected by membership in the Association. The
12 Covenants Conditions and Restrictions (CC&Rs) recorded on the property, however, limit the
13 property to industrial and commercial uses and deny any unit owner the right to possession or to
14 partition their unit. The Bylaws of the Association further limit a unit owner’s ability to control,
15 or even participate, in management, or any sale of the property. Any Association decision
16 required a majority vote of unit owners, excluding the developer (Maney). The Association has
17 always been dominated and controlled by Maney.

18 1. Maney was Anxious to Get Off the Association Board as Part of a DBO
19 Settlement Offer

20 Beginning in late 2018, Defendant Maney was anxious to remove himself from the
21 Association Board. In November 2018, he sent an email update blast to the Galileo investors, in
22 which he claimed he had “resigned” from the Association Board and that all other Silver Saddle
23 employees and officers had done the same – and, as a result, “[a]ll GCPOA Board seats are
24 currently vacant and need to be filled by non-Silver Saddle employees and officers.” *See*

25 ///

26 ///

27 _____
28 ¹⁵ Pricing at the outset in 2011 was much lower with many early sales of Full Units at \$10,000 per unit. The \$31,990 price seems to have first been deployed in June 2018.

1 Exhibit 11.¹⁶ As a matter of fact, it appears he may not have resigned his position until
2 January 31, 2019.¹⁷ But, telling investors that he was leaving the Board was apparently
3 important for purposes of then pending settlement discussions with the DBO.¹⁸

4 2. The Bylaws Require 20% of the Investors to Vote to Reach a Quorum

5 Section 5 of the Association Bylaws includes a quorum requirement of 20% of all
6 members in good standing for the election of Board Members. Internal Silver Saddle emails
7 reveal that obtaining such a quorum was a perennial problem. For example, the 2018 Board
8 elections could not be recognized because there was not a proper quorum – 295 votes were
9 received but were below the 372 voted needed for a quorum. As a result, the top two investor
10 candidates (who would otherwise have been elected) could not serve.¹⁹ This left only Maney
11 and his employees on the Association Board. Based upon our review of the records, we do not
12 believe an investor was *ever* elected to the Board.²⁰

13 3. There is no Duly-Elected Board of Directors

14 From the establishment of the Association until early 2019, Defendant Maney and two of
15 his employees always held Board seats and controlled the Board and all its actions. As far as we
16 can tell, no other members were ever on the Board. Maney’s decision to resign (and have his
17

18 ¹⁶ In a later Memorandum to the Association, Maney quoted his counsel’s offer to the DBO to,
19 among other things, resign from the Board and turn over control to the owners. *See* Exhibit 12.

20 ¹⁷ We located internal communications including draft resignation letters for Tom Maney and
21 his daughter Kelly as late as January 31, 2019. These resignations were back-dated to
22 November 26, 2018, the date of Tom Maney’s email. *See* Exhibit 13.

¹⁸ Notably, in the same communication Maney indicated that a total of 1,902.25 units had been
sold (out of 4,000 units). *See* Exhibit 11 at p. 5.

23 ¹⁹ *See* Exhibit 14. Annual Meeting and Board Member Nominations (February 1, 2019), which
24 states as follows: “Last year’s Board Member Voting results: Referring to last year’s Ballot
25 Tally, there were a total of 295 votes that came in. Sean Xianjin Li had the most votes with 93
26 votes, followed by Mathy Fredeluces with 75 votes. However, the voting result did not meet the
quorum. We needed a quorum of 372 votes. We received 295 votes from 162 unit owners. We
are short of 77 votes.” A review of the underlying documents reveals that the Board election
referred to in the February 1, 2019 minutes occurred in November and December of 2017.

27 ²⁰ Given the poor state of the records, and the lack of minute books, we cannot be certain, but
28 we do feel confident in making the claim based on our review thus far. We also inquired of a
former employee who confirmed our understanding.

1 employees resign) in an effort to appease the DBO, left the Board with no members.

2 Accordingly, the vote to elect Board Members in March of 2019 presented the first opportunity
3 for investors to serve on the Board – *assuming* a quorum could be obtained.

4 For the March election, four investor candidates ran for Board seats. Voting occurred
5 during the month of March (ending April 2). Based upon our review of emails, Silver Saddle
6 employees made a very sincere and sustained effort to get investors to vote. In the end, the three
7 leading candidates were Carlos Novello (president) with a total of 76 votes, Antonio Garcia
8 (secretary) 41 votes, and Rebecca Montano (treasurer) 85 votes. In all, 236 members in good
9 standing voted. *See* Exhibit 15. Based upon Defendant Maney’s report that 1,902.25 units had
10 sold, a quorum of 20% would require 381 votes cast. The 236 votes cast were 145 votes less
11 than required – resulting in the lack of a quorum. The election was, therefore, invalid. As such,
12 the Association does not presently have any duly elected Board members.^{21, 22}

13 Our document review reveals that, unlike previous years when Silver Saddle employees
14 tallied the votes and determined whether there was a quorum, Defendants ignored the lack of a
15 quorum for the March election. This was almost certainly the result of Maney’s desperation to
16 get off the Board and place investors on the Board as part of the effort to reach a settlement with
17 the DBO. Regardless of the motivation, however, the election was invalid as it failed to comply
18 with the Bylaws quorum requirement.²³

19 _____
20 ²¹ It is beyond this scope of this report to determine if the Bylaws could have been amended by
21 Maney to reduce the quorum requirement prior to his resignation. There does seem to be a
22 mechanism to amend the Bylaws (though it is unclear whether the quorum requirement is
capable of being satisfied by the Board). In any event, no amendment was attempted or made so
far as we have seen. Instead, the defendants simply ignored the quorum obligation in violation
of the Bylaws.

23 ²² Carlos Novello, purportedly acting as Board President and on behalf of the Association,
24 submitted an Opposition to the Motion for Preliminary Injunction and supporting declaration.
Based on the above, Mr. Novello is not, however, a duly elected Board Member.

25 ²³ We raised the quorum issue with Maney’s counsel over the weekend. We also explained that
26 we had discovered no evidence that Maney had taken steps to vote the SS Development interests.
27 Maney’s counsel believes that his client’s intent was to vote the SS Development shares by
28 proxy. However, the Association’s Bylaws require written proxies filed with the Board secretary
to be effective. Without conceding that the Bylaws might not be suspended by California law, he
did concede Maney did not provide a written proxy. As such, as per the Bylaws, he did not cast
votes by proxy and the lack of quorum remains.

1 **F. Defendants Misappropriated the Capital Improvement Fund**

2 Defendants promoted the Association’s built-in property development account, the
3 Capital Improvement Fund, projected to be at least \$8 million to be used for the funding of
4 approved LandBanking Plus commercial or industrial projects. As detailed below, however,
5 investor funds directed to this fund were misappropriated by Defendants and expended for the
6 benefit of Defendants.

7 Defendants turned the Capital Improvement Fund into their personal piggy bank to fund
8 operations. Funds that were supposed to go the Association’s Capital Improvement Fund
9 account were instead all deposited to the SS Ranch account.

10 From May of 2012 through May of 2014, SS Ranch transferred \$399,000 of these
11 contributions to the Association and then, almost immediately, transferred them back to the
12 SS Ranch account (\$375,000) and to the SS Development account (\$25,000). In effect,
13 Defendants drained the investors’ Capital Improvement Fund. There was nothing of
14 consideration given in return, no transfer of equivalent value or any value. Instead, there were
15 merely circular bank transfers – from SS Ranch to the Association and then back to SS Ranch/SS
16 Development.

17 The Defendants’ abuse of the Capital Improvement Fund in the next four years was far
18 worse. From May of 2014 to May of 2018, at a time when the contributions of many hundreds
19 of investors were deposited to the SS Ranch account, SS Ranch did not deposit a single dollar
20 into the Capital Improvement Fund. All of the funds – more than \$2 million – were retained
21 outright by SS Ranch and SS Development; they did not even bother with the circular bank
22 transfers deployed in 2012-2014. As a result, the Association bank accounts held a measly
23 \$3,624 as of May of 2018.²⁴

24 _____
25 ²⁴ Concern about the fact that the Capital Improvement Fund had no money was first raised prior
26 to September of 2017. Silver Saddle Executive Vice President Maria Rosales stated that the
27 issue was flagged to her just before the DBO issued its first subpoena to the Defendants in
28 September of 2017. Ms. Rosales noted that she was told of the concern by one of the largest
producing sales people, Relief Defendant Marian Decreux. Incredibly, Ms. Rosales, who as
Executive Vice President was the second in charge of the Defendants, claimed she was surprised
by this claim but she took no action and did not raise the issue with anyone at the defendant
companies. She just let it go.

1 Apparently recognizing the dire straits they found themselves – in the midst of a DBO
2 investigation and having improperly used more than \$2 million in investor funds – Defendants
3 did take some corrective action. In May and August of 2018, they made “reconciliation
4 adjustments” purporting to transfer to the Capital Improvement Fund some \$2.34 million in
5 promissory notes owned by SS Development. We have been told by Debra Nicastro that these
6 notes represented equivalent value for the funds diverted by Defendants. At any level, however,
7 these promissory notes owned by SS Development were not cash equivalents – they had 10 year
8 maturities and high default rates.²⁵ They did not represent cash funds that could be spent on
9 development.

10 The “reconciliations” were empty gestures meant to make the situation appear less
11 sinister. Beyond these simple accounting entries, the Defendants did nothing for months.
12 Indeed, it was not until January 8, 2019 – eight months after the first “reconciliation” and five
13 months after the second – that SS Development employees began to discuss preparing the
14 necessary documents – agreements, note endorsements, and assignments – to transfer the
15 promissory notes. It was only then that employees began to prepare four separate assignment
16 agreements – two for the reconciliations and two for funds that SS Development had recently
17 transferred to the Capital Improvement Fund and then transferred right back to itself in
18 August 2018 (\$129,934.21) and January 8, 2019 (\$302,782.36).

19 On February 6, 2019, Defendant Maney on behalf of SS Development and his daughter,
20 Kelly Maney, as Board Member of the Association, executed a series of four Assignment of
21 Deeds of Trust and Note Purchase Agreements – all back-dated to the two “reconciliation” dates
22 (May 10, 2018 and August 30, 2018) and the two transfer dates (August 17, 2018 and January 8,
23 2019). *See* Exhibit 16. In an ultimate demonstration of how Defendant Maney treated all the
24 Receivership Defendants – including the Association – as puppets, he initially intended to sign
25 the Note Purchase Agreement both on behalf of SS Development and as President of the

26 _____
27 ²⁵ We were advised by an employee that at the time the reconciliation entries were made, the
28 default rate on investor notes to SS Development was 25% and that it reached 42% by June/July,
2019.

1 Association. At the last moment, someone remembered that he resigned from the Board two
2 months earlier. So, Kelly Maney – who had also resigned from the Board, but the resignation
3 was not yet effective – was quickly substituted in.

4 **G. Complaints**

5 The broad nature of consumer confusion and prejudice from hard sell tactics is reflected
6 in the complaints we found on site:

- 7 • An attorney for one investor complained that his clients were kept on site for a
8 long time, not permitted to speak to anyone outside the facility, misled that they
9 had an agent representing their interests, and were unduly influenced to sign up
10 and purchase that day. *See Exhibit 17.*
- 11 • One investor sought a chargeback claiming that the sign up was “complete
12 harassment” and “taking advantages of our weaknesses”. When the bank granted
13 a chargeback request, SS Development disputed vigorously and had it reversed
14 and then sent the investor to collection. *See Exhibit 18.*
- 15 • When one investor emailed that he had stopped credit card payments and
16 requested a full refund because the Ranch misrepresented values, his email was
17 circulated internally with the note that “Tom would like us to send this to
18 collections right away, he is making threats about telling other unit owner and
19 coming to the Sales Pavilion to complain and talk to us.” *See Exhibit 19.*
- 20 • When one investor sought to cancel, sales agent Marian forwarded his email
21 internally noting that she had been getting cancellations with the word scam and
22 threats regarding lawyers that sounded like someone was advising them. Her
23 conclusion – we should be uniform and firm regarding cancellations. A sales
24 agent responded that this cancellation issue is spreading like wildfire and we have
25 to be firm on NO CANCELLATION. *See Exhibit 20.*

26 **H. Standard Terms of Sale**

27 In addition to the inflated pricing, the standard terms of each investor transaction were
28 universally seller friendly, imposed by a flurry of boilerplate, non-negotiable documents all

1 prepared by Defendants. These terms compounded the harm to investors and increased the cash
2 flow to Defendants.

3 Financing at Exorbitant Interest Rates was provided by SS Development as seller with a
4 10-year loan at 15.9% (full unit) or 17.9% (half and quarter units), secured by Deeds of Trust on
5 the subject unit. Many units have since returned to SS Development through foreclosure.
6 SS Development has contracted the administration and collection of these loans to a third-party
7 vendor.

8 SS Development extracted escrow and processing fees at the signing of each Purchase
9 Agreement – \$225 allocated to escrow and \$570 to loan processing. Instead of a third party
10 fiduciary, escrow was assigned to the conflict-riddled Nile Almudarris Trust whose principal was
11 also SS Development’s real estate broker of record and a commissioned sales agent. Loan
12 “processing” was all internal with minimal due diligence.

13 Defendants maintained an ironclad policy of No Cancel/No Refunds with the internal
14 justification that undivided interest sales were commercial, not consumer, transactions and not
15 subject to any consumer right of recession. This policy was enforced with few exceptions,
16 regardless of how dire or sympathetic the conditions.²⁶ Some reluctant investors who made
17 down payments by credit cards sought refunds through a chargeback claim on the card, but such
18 chargebacks were aggressively challenged.²⁷

19 IV.

20 PENDING LAWSUITS

21 The Receivership Entities – SS Ranch, SS Development and the Association – have been
22 named in a number of lawsuits. These include a putative class action, an action on behalf of
23 individual investors, an action by a former employee, a small claims case, and a number of pre-
24 lawsuit threats by investors, which counsel was handling. Counsel has given notice to the parties

25 _____
26 ²⁶ Some refund request were rejected out of hand and told to find someone to take over their
payments or make extra money through referral fees by referring an investor. *See* Exhibit 21.

27 ²⁷ The Ranch accountant touted his ability to get nearly \$250,000 of chargebacks reversed by
28 successfully arguing these were not consumer transactions, but commercial transactions with no
rescission or cancellation right. *See* Exhibit 22.

1 and has lodged the TRO, which includes a stay provision, in the courts where the suits are
2 pending. As a result, we anticipate these cases will be stayed during the pendency of the
3 receivership.

4 V.

5 **FINANCIAL INFORMATION**

6 The Receiver's forensic accountant, Lisa Jones, has commenced review of the available
7 financial records, principally bank statements and QuickBooks records of Receivership
8 Defendants. Based on the information available to date, she has prepared a Receivership Initial
9 Account and Records Review report which is attached as Exhibit 23.

10 Dated: October 14, 2019

McNAMARA SMITH LLP

11
12 By: 

Edward Chang
Attorneys for Receiver,
Thomas W. McNamara

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1 **PROOF OF SERVICE**

2 I, Shoshanna Carroll, declare as follows:

3 I am an employee of a member of the bar of this Court at whose direction was made in the
4 County of San Diego, State of California. I am over the age of 18 and not a party to the within
5 action; my business address is 655 West Broadway, Suite 1600, San Diego, California 92101.

6 On October 14, 2019, I served the foregoing document(s) described as:

7 • **RECEIVER'S PRELIMINARY REPORT**

8 on interested parties in this action by sending the original true copy(ies) thereof as follows:

9 By First Class Mail: I am readily familiar with the firm's practice of collection and
10 processing correspondence for mailing with the United States Postal Service. Under that
11 practice, it would be deposited with United States postal service on that same day with postage
12 thereon fully prepaid at San Diego, California in the ordinary course of business. The envelope
13 was sealed and placed for collection and mailing on that date following ordinary business
14 practices.

15 By Email: I caused the documents to be sent to the persons at the email address(es) listed
16 below. I did not receive, within a reasonable time after the transmission, any electronic message
17 or other indication that the transmission was unsuccessful.

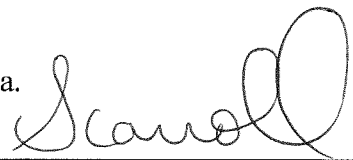
18 Robert R. Lux
19 Boryana Arsova
20 Department of Business Oversight
21 1350 Front Street, #2034
22 San Diego, CA 92101
23 Robert.Lux@dbo.ca.gov
24 Boryana.Arsova@dbo.ca.gov
25 Tel.: 619-525-3729
26 Fax: 619-525-4045
27 *Attorneys for Plaintiff*

28 Mark T. Hiraide
Mitchell Silberberg & Knupp LLP
2049 Century Park East, 18th Floor
Los Angeles, CA 90067-3120
Tel.: 310-312-2000
Fax: 310-312-3100
mth@msk.com
*Attorneys for Defendants Thomas M. Maney;
Silver Saddle Commercial Development, LP;
and Silver Saddle Ranch & Club, Inc.*

19 Darryl J. Horowitz
20 Jennifer T. Poochigian
21 Coleman & Horowitz, LLP
22 499 W. Shaw Avenue, Suite 116
23 Fresno, CA 93704
24 Tel.: 559-248-4820
25 Fax: 559-248-4830
26 dhorowitz@ch-law.com
27 jpoochigian@ch-law.com
28 *Attorneys for Defendant The Galileo
Commercial Property Owners Association,
Inc.*

(STATE): I declare under penalty of perjury under the laws of the State of California that the
above is true and correct.

Executed October 14, 2019, in San Diego, California.



Shoshanna Carroll

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EXHIBIT 1



Debra Nicastro <debra@ssrmail.net>

SSRC Chronology

Debra Nicastro <debra@ssrmail.net>

Thu, Jan 24, 2019 at 3:44 PM

To: Maria Rosales <maria@ssrmail.net>, Jeffrey McAree <jeffrey@ssrmail.net>

Cc: Tom Maney <tmaney831@gmail.com>, Le Thuy <thuy@ssrmail.net>, Kelly Maney <kelly@ssrmail.net>

Maria and Mack,

I will be teleconferencing with RFC, (Rick Mitterling and All Warrington) tomorrow morning.

As conveyed to you both in conversations, our goal is to first obtain \$750,000 from a select group of Notes totalling \$1ml; whether a straight purchase or hypothecation. Followed by our seeking a \$5ml credit line to support a two-year term.

The challenges are:

- our A/R delinquency rate which ranges 20%-35%.
- Poor publicity
- SSRC credit rating
- DBO status and no resolution yet
- Financial statements that are lacking or in arrears

RFC feels that the 35-year track record of SSRC is a positive and testament to our ability to keep the development going through downturns. An additional positive is the grand potential we still have to generate upwards of \$75ml in future sales.

Over the past month or so we have compiled a great deal to include collateral marketing materials and A/R Aging of select performing accounts.

Most recently, this weekend, I prepared the two attached documents for RFC to cull from. They want the focus on longevity and the potential of SSRC while downplaying SSCD and GCPOA. Hence the focus on history of Cal City, SSRC, Tom and myself. The attached SSRC chronology is geared to the interests of potential bankers & lenders in effort to capitalize on this.

I just got off the phone with AI, during which he said they have good news and have whittled the presentation package to 5 pgs down from 15+. He also said they will provide me with full disclosure as to who they have already and plan to reach out.

I will go over all of this with them tomorrow and update you after the call.

Our brokering agreement with RFC disclosed relationships we already have so these are excluded....meaning, if we find that RFC's efforts are not successful or taking too long, we can revisit negotiating a new deal with those who have existing SSR/Equiant portfolios. Tom brought up the possibility to open discussion with Accelerated Assets. I feel this is a good back-up plan.

Tightening up buyer qualification and COS %, as well as reigning in some bad habits with agents and referral program is paramount to our success.

Onward and Upward!

Thanks,
Deb

[Quoted text hidden]

2 attachments

 **SSRC Chronology .docx**
17K

 **SSRC Sales History 1997 - 2018.xlsx**
11K

California City, County of Kern, California:

The City of California City was conceived in the mid 1950's by a man named **Nat Mendelsohn**. The development covered in excess of 120,000 acres and was subdivided into more than 50,000 lots. Nat's ambition and vision was to create a model community that would rival Los Angeles and Las Vegas. In the mid 1960's it was acquired by **Great Western United Corporation** and operated as **Great Western Cities, Inc.** and **California City Realty Company**. The City was incorporated in 1965. Late 1974 **Bunker and Herbert Hunt** of Dallas, TX acquired 100% of the stock. Concentration of sales and development was focused on what is known as the "1st Community" or "Downtown Cal City." Infrastructure was established, and development included Police Department, Fire Department, Tierra Del Sol 18-hole Golf Course designed by **Bruce Devlin**, Central Park with 40-acre lake, Par 3 Golf Course, California City Municipal Airport, Community Center, City Council, etc.

California City is the third largest subdivision in the state of California. Commercial businesses include, **Rite-Aid Drugstore**, **McDonalds**, **ACE Hardware**, numerous independent retailers & restaurants. At last census the population exceeded 14,000.

California City is "mecca" for Southern California Off-Road enthusiasts. Local merchants and the City Council welcome this influx which brings in over 10,000 enthusiasts on holiday weekends. State trails and official BLM off-road trails and adjacent Jawbone Canyon are well known and embraced by the OHV community.

The city is located between Edwards AFB, Rio Tinto-US Borax, and Mojave Air & Spaceport. All of which are large employers for the community as well as numerous alternative energies, R&D, aerospace and fabrication businesses.

Silver Saddle Ranch & Club:

This 90-acre private membership resort is located in what is known as the "2nd community" of California City, approximately 12 miles from the 1st community. A green oasis with many water features, full amenities, hotel, cottages, R.V park, campsites, stables, kayak/paddle-boating, livestock, dining, saloon, spa, etc. The resort is often a location site for filming and also hosts corporate and large retreats.

Great Western Cities, Inc. built the resort in the early 1980's. In 1983 James Tarver, also of Texas, purchased the real estate assets in California City from Great Western and formed **Silver Saddle Development Company, Inc.** He was the controlling shareholder through 1986. In 1987, **Silver Saddle Ranch & Club, Inc.** (SSRC) was formed and purchased the resort, receivables and inventory.

Thomas Maney became the majority shareholder and President and continues in this capacity to this day. From the inception of SSRC in 1987 and over the next twenty-one years, the land sales and private resort flourished. In 2008 the enterprise was not immune to the recession; caused by the sub-prime banking crisis and deregulation of the mortgage banking industry. With the fall of Shearson-Lehman, lenders could no longer lend and Silver Saddle lost its financing. Receivables which had been performing at less than 2% default for the past five years realized performance problems. Years 2008-2010 the company had to halt the sales program, reduce staff and operations and do it's best to protect assets and modify loans.

Fortunately back in 2005, Thomas Maney had already been envisioning the next chapter for Silver Saddle and eventual sell-out of lot inventory. Silver Saddle also owned 5 sections, totaling 1,020 acres. His vision was to create 4,000 undivided units which would be a commercial real estate investment for a new sales program, Land Banking+. Not only would investors own the 1,020 acres to develop or sell to a developer, they would also have membership in Silver Saddle Ranch & Club and an option to purchase the resort which is adjacent to the 1,020 acres. Late 2011 realized the first sales. As of December 31, 2018, 49% of the 4,000 units have been sold totaling \$56ml in sales. The company has retained approximately \$5ml in performing accounts receivable. The remaining inventory of 2,052 units will realize an additional \$60 - \$70ml sales.

Years 2016 thru mid-2018 realized turnover and internal restructuring. Silver Saddle Sales and Resort Operations goes on seasonal hiatus each year and will resume operations from where they left off mid-December 2018; re-opening mid-February 2019. During the hiatus, evaluation and restructure of sales, marketing, accounting procedures, and buyer qualification have been firmed up which will guarantee sales to solid investors, thereby reducing delinquencies. Silver Saddle is seeking a new lender relationship for a 24-month term and \$5ml line of credit.

Thomas Maney, Owner and CEO of Silver Saddle Ranch & Club, Inc.:

Mr. Maney is a graduate of **UCLA School of Law** and U.S. Marine Veteran. He has held various legal and operational positions with **McCulloch Properties** (1963-1974) and **Hunt International Resources** and subsidiaries (1975-1982). Past senior experience includes Managing Director - McCulloch Services (UK) Ltd., responsible for sales and marketing of U.S. real estate, V.P. General Counsel - Hunt Int'l (Bunker & Hubert Hunt), and President - Great Western Cities, Inc. In 1981 Mr. Maney came up with the plan and spearheaded the creation of the Silver Saddle Ranch & Club resort property.

Mr. Maney has been owner and President/CEO of **Silver Saddle Ranch & Club, Inc.** since 1983 to present time. Savvy in real estate investments and development outside of Silver Saddle, include California investments in Brentwood, Carmel, Monterey, and the Antelope Valley as well as real estate investments in Deer Valley/Park City, Utah.

Debra Nicaastro, Director of Operations – Silver Saddle Ranch & Club, Inc.

Debra had a twenty-nine year tenure with Silver Saddle Ranch & Club since inception, and grew through the ranks of Sales Administration, Controller, Vice President and COO. A thorough understanding and years of hands-on experience and leadership in almost every aspect of the Silver Saddle operation to include sales, marketing, finance, corporate administration, and resort operations. Over the course she arranged and managed over \$200ml in receivable financing.

In 2009 she branched out on her own forming Debra Nicaastro – Expert Management (DNEM). Her industry clients include Construction, Hospitality, Fabrication, Security, Design, Galleries, Retail, Fitness and Law Firms. Her services also included personal wealth management. A business style that is pragmatic, yet practical, creative and equitable has led to her financial and operational successes for both her and her clients.

After a nine-year hiatus in June 2018, SSRC engaged Debra's services as a consultant and in August 2018, Debra came back on board full-time with Silver Saddle as Director of Operations.

Once again teaming up, Thomas Maney, Debra Nicastro and their collective expertise and synergy is sure to realize continued prosperity.

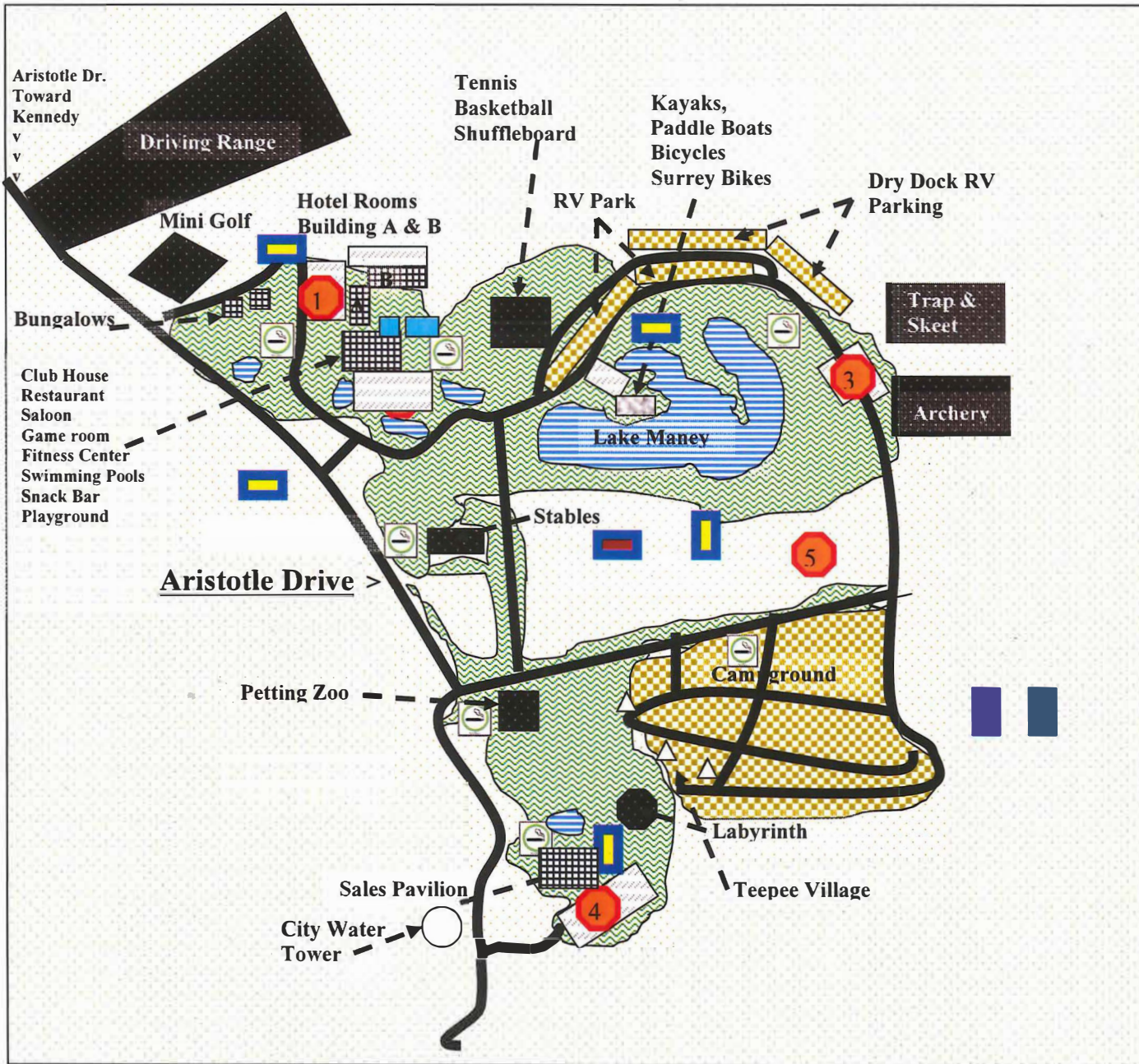
Jan 2019

Silver Saddle Ranch Club Sales - Sales History

	A	B	C	D	E	F	G	H
1	Lot Sales History:							
2	<u>Year</u>	<u># Sales</u>	<u>Volume \$</u>	<u>Avg Price</u>	<u>% Ref Sales</u>	COS %		
3	1997	216	\$2,763,760	\$12,975				
4	1998	571	7,061,450	12,367				
5	1999	372	5,590,870	15,029		38.00%		
6	2000	376	6,512,185	17,320		40.20%		
7	2001	455	7,170,507	15,759	55.38%	40.00%		
8	2002	610	10,085,328	16,533	63.11%	38.80%		
9	2003	1,135	22,074,940	19,449	72.07%	35.50%		
10	2004	987	27,787,650	28,154	82.98%	33.90%		
11	2005	888	33,708,630	37,960	77.81%	31.70%		
12	2006	537	22,626,790	42,136	71.69%	36.60%		
13	2007	463	19,397,106	41,894	56.02%	39.01%		
14	2008	303	13,675,993	43,463	45.00%	53.00%		
15						COS includes commissions, marketing, and all sales administration expenses.		
16								
17	UDI- LandBanking Unit Sales History:							
18	<u>Year</u>	<u># Sales (1)</u>	<u>Volume \$</u>	<u>Avg Price</u>				
19	2011	14	\$183,870	\$13,134	Began Test Sales Nov 2011			
20	2012	273	3,403,240	12,466				
21	2013	309	4,656,108	15,068				
22	2014	481	7,637,082	15,878				
23	2015	587	10,468,295	17,834				
24	2016	484	9,668,288	19,976				
25	2017	494	10,439,775	21,133				
26	2018	373	9,688,610	25,975				
27								
28	Cumulative Total	3,015	\$56,145,268					
29								
30	NOTES: As of 12-31-18 there are 1,948 Full Units sold; Quarter and Half Units are calculated to arrive at Full Unit Sum.							
31	Remaining sellable Unit Inventory = 2,339.							
32	(1) Number of Unit Sales are comprised of Full Units, Half-Units and Quarter Units							

EXHIBIT 2

Silver Saddle Ranch & Club Map



Hazardous Materials

- Gas Tank
250 Gallons
- Diesel Tank
500 Gallons
- Propane Tanks
500 -1000

Emergency Evacuation Areas

- 1=Hotel A & B and Bungalows
- 2= Club House, Restaurant, Bar, & Stables
- 3= Trap & Skeet, Archery, & Park Area
- 4= Sales Pavilion
- 5= Sales

Designated Smoking Areas

- Hotel, Club House & Pavilion
- Parking
- Amenities
- Pools
- Ponds & Lake
- Camping & RV Sites
- Park

EXHIBIT 3

SILVER SADDLE RANCH & CLUB

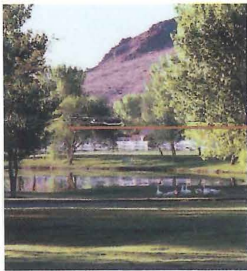
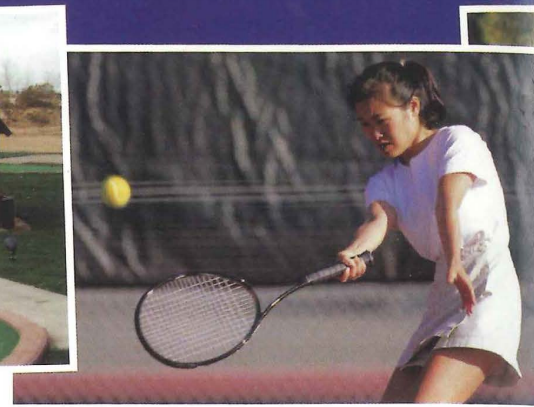
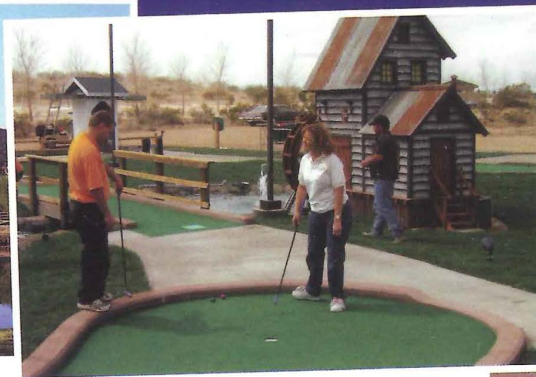
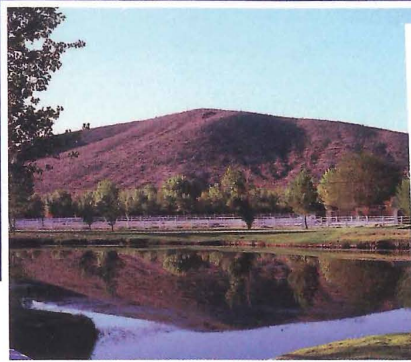
Featuring the *Constellation Spa*

Experience the pride of ownership

and the pleasures of membership

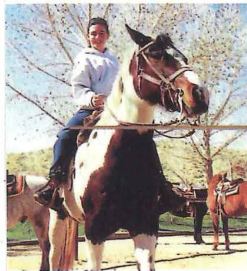


www.silversaddle.com



Serenity

*spectacular views
and refreshingly
clean air...*



Activity

*the whole family will
enjoy crowd-pleasing
recreational activities...*

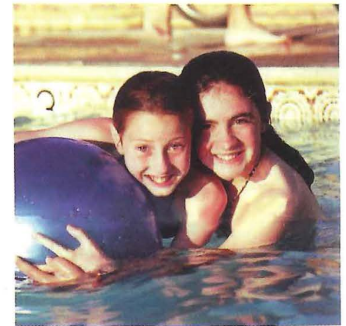


Rejuvenate

*relax and enjoy
being pampered by
our spa specialists*

This beautiful, 80-acre resort oasis is in the high desert near the foot of the majestic Sierra Nevada Mountains. With spectacular views and refreshingly clean air, Silver Saddle Ranch & Club provides that “away from it all ambience”, yet it’s conveniently located within miles of several main desert arteries.

Silver Saddle Ranch & Club offers attractive hotel rooms, fine dining, a full service spa, and a host of recreational activities to keep the entire family entertained. Enjoy the opportunity to meet and mingle with other guests, or take a quiet walk and enjoy the solitude of the peaceful desert surroundings. This is the place you’ve been looking for, whether you want to unwind, recharge, have fun or all three.

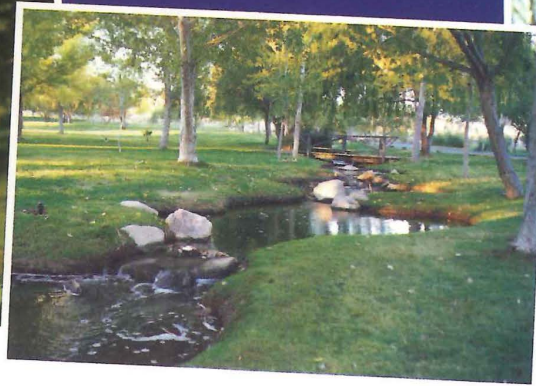
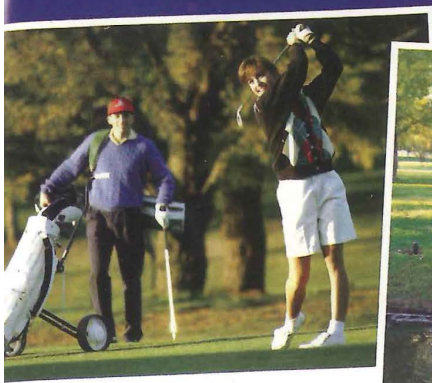


RECREATION :

- | | |
|-----------------------|----------------------------|
| Horseback Riding | Archery |
| Tennis | Basketball |
| Swimming | Volleyball & Badminton |
| Fishing | Live Music |
| Kayaking | Entertainment/Karaoke |
| Paddle Boating | Golf Driving Range |
| Children’s Playground | Miniature Golf Course |
| Petting Zoo | State-of-the-art Game Room |
| Trap & Skeet | and much more... |

FACILITIES :

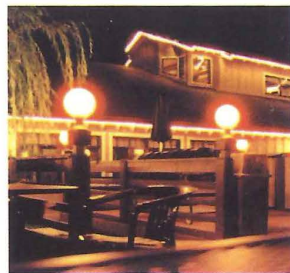
- | | |
|--------------------------|-----------------------|
| Meeting Rooms | Jacuzzi |
| Desert Willow Dining | Family Pool |
| Road Runner
Snack Bar | Adults Only Pool |
| Restaurant Deck | Spa & Salon |
| Fitness Center | Recreation Room |
| Reading Library | Picnic & Social Area |
| | Gift Shop and more... |



THE RESORT OASIS GETAWAY

Silver Saddle Ranch & Club is also a full-service destination for meetings, retreats, corporate outings, banquets and weddings. We have event specialists to help plan your perfect occasion.

Our guests have ranged from television and film companies to NASA Space Shuttle mission specialists and their families. We have hosted large corporate outings, private retreats and a variety of other organizations' functions.



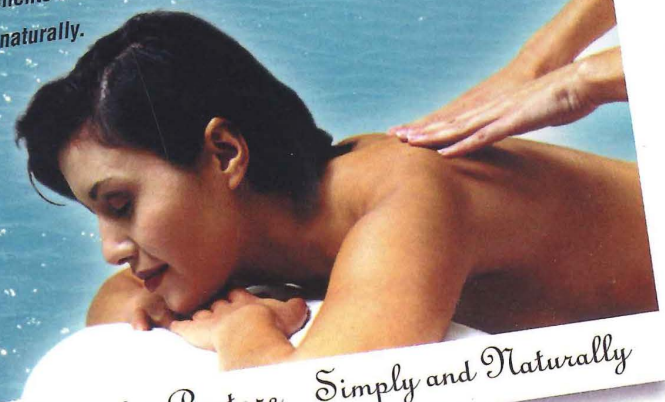
For the serious golfer, Tierra Del Sol Championship Golf Course is located nearby. This Bruce Devlin designed course offers 18 holes and beautiful elevated greens.



Constellation Spa

At Silver Saddle Ranch & Club

Enhance your visit to Silver Saddle Ranch & Club by arranging for a massage or other treatment at Constellation Spa, the latest and most beautiful addition to Silver Saddle Ranch & Club's amenities. Our spa specialists will take you back to the beautiful basics of spa treatments and leave you feeling refreshed and restored—simply and naturally.



Refresh • Restore Simply and Naturally

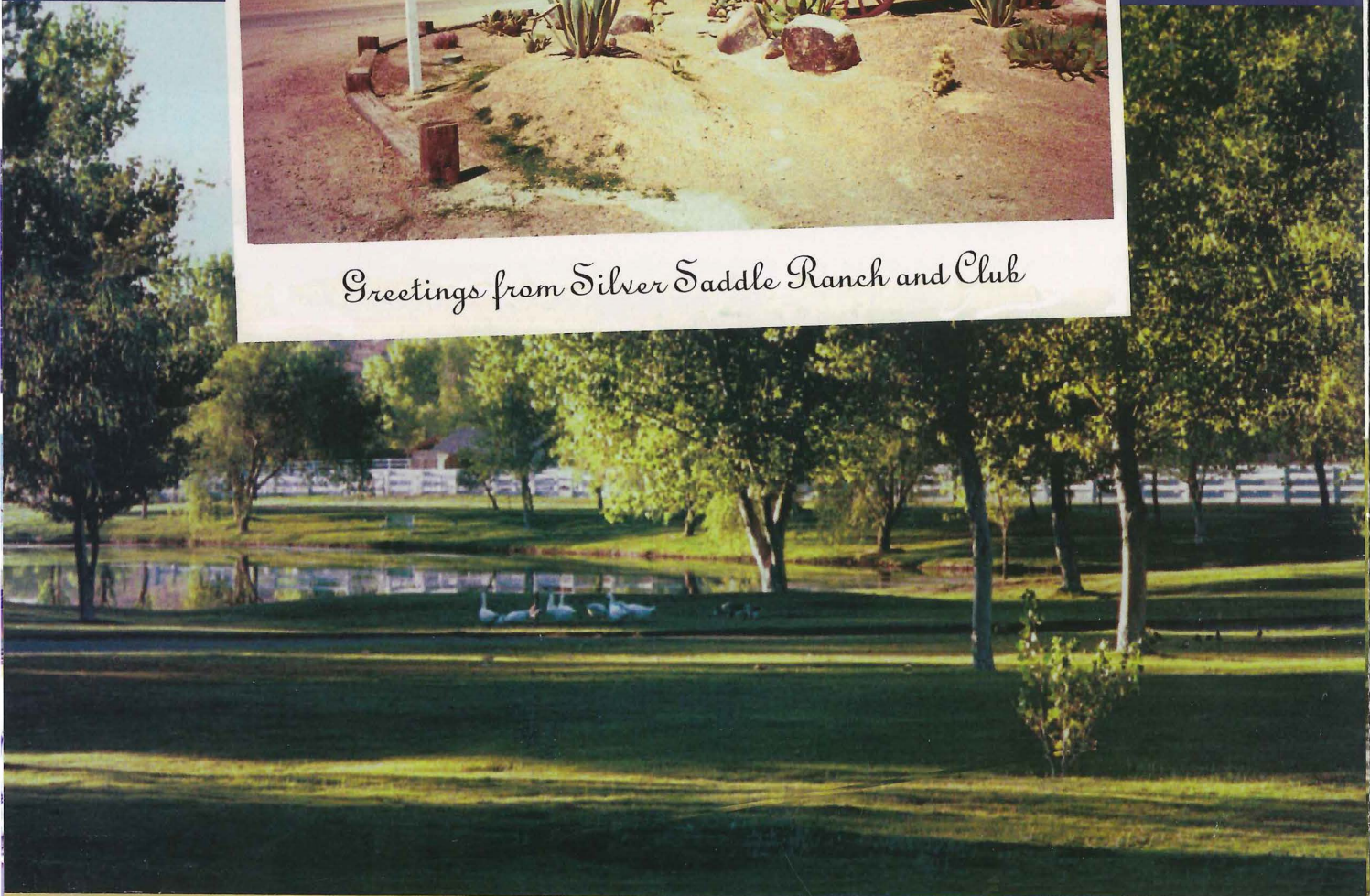
ACCOMMODATIONS:

Beautiful Hotel Rooms
Fully Appointed Suites
Detached Bungalows with Private Patio
Kiowa Teepee Village

Campsites with Facilities
RV Park with Full Hook-ups and Facilities
Fleet of RVs available to rent



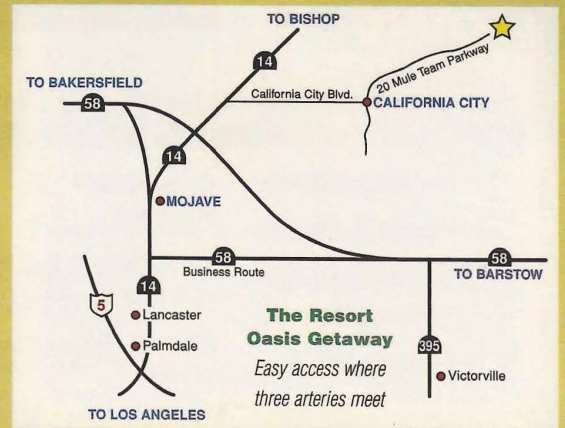
Greetings from Silver Saddle Ranch and Club



SILVER SADDLE RANCH & CLUB

20751 Aristotle Drive
 P.O.Box 2518
 California City • CA 93504
 Tel: 760.373.8617
 Fax: 760.373.5212

<i>Distances to California City</i>	
Mojave	20 mi
Tehachapi	35 mi
Bakersfield	60 mi
Barstow	56 mi
Ridgecrest	40 mi
Palmdale	65 mi
Los Angeles	120 mi



www.silversaddle.com

7/2017

EXHIBIT 4



Debra Nicastro <debra@ssrmail.net>

2019 Ranch Preliminary profit & loss

4 messages

Leonardo Lopez <leo@ssrmail.net>
To: Debra Nicastro <debra@ssrmail.net>

Fri, Aug 2, 2019 at 7:08 PM

Hi Debra,

Attached are two versions of preliminary financial statements for Silver Saddle Ranch & Club:

The preliminary profit & loss by class - includes both corporate (SSCD), and Ranch income and expenses.

The preliminary Profit & Loss - includes only ranch income and expenses.

The preliminary profit and loss by class shows expenses (corporate) incurred by Commercial Development, but paid out the Ranch Mission bank account. As for the income from cash deposits received in Mission from the notes down payments and payoff etc. These deposits are still sitting in the clearing account pending reclassification. Melissa is done with GlobalPay deposits so she will start with the cash deposits on Monday. I was able to performed a preliminary reconciliation on the clearing account in order to pulled out only the income any ranch income, and re-class.

As for the ranch balance sheet accounts these are still pending reconciliation, however, as I explained above I was able to pulled out any related ranch income so what is left is income from the UDI notes. Once I'm done with the 2018 financials I will move forward with the 2019 adjustments.

if you have any questions let me know.

thanks,

Leo

2 attachments **2019 Preliminary Profit & Loss.pdf**
12K **2019 Preliminary Profit & Loss by Class.pdf**
48K

Debra Nicastro <debra@ssrmail.net>
To: Leonardo Lopez <leo@ssrmail.net>

Mon, Aug 5, 2019 at 8:49 AM

Good morning Leo,

Will need P&L to reflect income from Ranch Revenue Centers (These are Rooms/Campsites, Dining, Front Desk, Saloon, Events)

Tanks,
Deb

[Quoted text hidden]

--

Debra Nicastro
Silver Saddle Ranch & Club, Inc.
7635 N. San Fernando Road
Suite A - Top Floor
Burbank, CA 91505
(818) 768-8808
Fax (818) 768-8838

Leonardo Lopez <leo@ssrmail.net>
To: Debra Nicastro <debra@ssrmail.net>

Mon, Aug 5, 2019 at 11:38 AM

Hi Debra,

Many of the clearing account deposits are related to the various ranch income centers, however, there hasn't been any reconciliation done between the income breakdowns to the actual bank deposits, which is why you don't see these income reflected in the P&L. However, I have a quick solution for this. I talked to Cheryl today, and she will send me all the ranch income breakdowns from January through June. I will prepare a journal entries to book the income based on this information and send you an updated P&L. After you have reviewed and agree with the updated ranch income I will then prepare a reversal entry or delete the journal, and Melissa will follow with the actual reconciliation and book postings.

let me know your thoughts or if have any questions.

thanks,

Leo

[Quoted text hidden]

Debra Nicastro <debra@ssrmail.net>
To: Leonardo Lopez <leo@ssrmail.net>

Mon, Aug 5, 2019 at 11:48 AM

Hi Leo,

Please put a call in to Peter too.
He took over Ranch Income reporting a while back. You may need both Peter's and Cheryl's source data.

Thanks,
Deb

[Quoted text hidden]

Silver Saddle Ranch and Club, Inc.
Preliminary Profit & Loss
January - June, 2019

	Ranch
Income	
3003 Principal, Down Pymnts Interest	22,226.92
3003.1 Interest Income-Land Contract	9,474.12
3003.2 Late Fees- Land Contracts	336.56
3105 Ranch Income Allocation	9,041.43
3130 Income (Club) Dues-SSRC	393,769.52
3132 Restaurant and Banquet Sales	92.85
3135 Room Rental Income	109.86
3501 Refunds and Chargebacks	-3,345.50
Total Income	\$ 431,705.76
Gross Profit	\$ 431,705.76
Expenses	
4000.99 Ranch Expenses	17,944.45
4108 Auto-Ranch	1,047.31
4108.1 Fuel-Ranch	5,493.04
4108.2 Mileage Reimb Ranch	163.10
Total 4108 Auto-Ranch	\$ 6,703.45
4110 Comm. Svc. & Utilities	8,728.60
4110.1 Water	101,082.87
4110.4 Propane	13,542.78
Electricity	43,160.97
Pest Control	8,950.50
Trash Collection	9,948.69
Total 4110 Comm. Svc. & Utilities	\$ 185,414.41
4220 Contracted Work	30,254.00
4220.2 Security	2,093.82
Total 4220 Contracted Work	\$ 32,347.82
4259 Employee Meals	112.72
4261 Rm/Kitchen/Bar Supplies	22,792.50
4271 Insurance	8,856.60
4330 Professional Fees	300.00
4790 Travel & Entertainment	215.41
Total 4000.99 Ranch Expenses	\$ 274,687.36
4002 Ranch-Supplies and R&M	
4000 Food and Bar Purchases and Supplies	1,606.50
4331 Other Supplies and Expenses	7,373.58
4331.1 Equipment Rental	13,347.93
Total 4331 Other Supplies and Expenses	\$ 20,721.51
4333 Amenity Supplies/Guest Entertainment	400.00
4333.1 Feed and Stable Supplies	7,673.14
4333.2 Spa Supplies	1,301.49

4333.3 Pool Supplies	365.34
4333.4 Trap and Skeet Supplies	401.65
4333.5 Guest Entertainment	631.47
Total 4333 Amenity Supplies/Guest Entertainment	\$ 10,773.09
4551 Repair/Maintenance/Supplies & Svc	76,421.64
4551.1 Tools	108.92
Total 4551 Repair/Maintenance/Supplies & Svc	\$ 76,530.56
Total 4002 Ranch-Supplies and R&M	\$ 109,631.66
4006 General and Administrative	
4001 Salaries and Wages	
4001.1 Relocation Bonus	5,000.00
Total 4001 Salaries and Wages	\$ 5,000.00
4003 Insurance	
4670 Liability and Other Insurance	
Total 4003 Insurance	\$ 0.00
4022 Licenses, Dues, and Fees	6,996.39
4104 Auto and Truck Expenses	
4104.1 Fuel	
4104.2 Mileage Reimb Corp	
4104.3 Parking and Tolls	
Total 4104 Auto and Truck Expenses	\$ 0.00
4109 Telephone & Utilities	15,893.74
4112 Lawsuit Settlements	
4119 Postage and Delivery	764.95
4332 Legal and Professional Fees	
4336 Bank Charges	
4337 Merchant Fees	
4440 Rent and Lease Expense	
4549 Office Supplies and Expenses	3,721.83
4549.2 Hiring Expense	100.00
4549.6 Subscriptions	90.81
Computers and Accessories	1,881.99
4549.5 Software	1,138.26
4549.7 IT Services	920.00
Total Computers and Accessories	\$ 3,940.25
Copier Lease	
Total 4549 Office Supplies and Expenses	\$ 7,852.89
4552 Repairs and Maintenance	
4910 Recording and Title Fees	
4950 Service Bureau, Loan, and Other Fees	
4960 Other Taxes and Licenses	
4111 Property Taxes	
7112 Franchise Taxes	
9999 Penalties	2,625.00
Total 4960 Other Taxes and Licenses	\$ 2,625.00
7335 Interest Expense	
Total 4006 General and Administrative	\$ 39,132.97

4600 Selling and Advertising Expenses	
4007 Referral Fees	
4601 Marketing and Advertising	
4671 Media Advertising	109.07
4676 Other Advertising	425.73
4676.2 Gift Cards	
Total 4676 Other Advertising	\$ 425.73
4679 Marketing Costs and Supplies	
Promo Gifts	
Total 4679 Marketing Costs and Supplies	\$ 0.00
5686 Customer Incentives	
Total 4601 Marketing and Advertising	\$ 534.80
Total 4600 Selling and Advertising Expenses	\$ 534.80
6000 Payroll Expenses	
6010 Wages & Salaries	
6010.15 General & Admin Corporate HQ	6,661.86
6010.21 Sales Admin	52,856.03
6010.31 Resort Admin	122,051.12
6010.40 Hotel/Club House	30,867.93
6010.42 Dining/Kitchen	53,507.03
6010.46 Stables/Petting Zoo	13,958.19
6010.48 Spa/Salon	2,718.34
6010.49 Ranch Resort	158,439.84
Total 6010 Wages & Salaries	\$ 441,060.34
6020 Bonus Pay	
6020.31 Resort Admin	650.00
Total 6020 Bonus Pay	\$ 650.00
6030 Payroll Tax Allocation	
6030.15 General & Admin Corporate HQ	962.63
6030.21 Sales Admin	5,473.66
6030.31 Resort Admin	11,961.96
6030.40 Hotel/Club House	4,406.13
6030.42 Dining/Kitchen	6,347.64
6030.46 Stables/Petting Zoo	1,543.79
6030.48 Spa/Salon	392.78
6030.49 Ranch Resort	16,688.48
Total 6030 Payroll Tax Allocation	\$ 47,777.07
6040 Workers Comp/Employment Liability Ins	
6040.15 General & Admin Corporate HQ	85.83
6040.21 Sales Admin	1,493.09
6040.31 Resort Admin	1,091.70
6040.40 Hotel/Club House	4,460.83
6040.42 Dining/Kitchen	4,171.28
6040.46 Stables/Petting Zoo	1,953.87
6040.48 Spa/Salon	227.22
6040.49 Ranch Resort	21,997.05
Total 6040 Workers Comp/Employment Liability Ins	\$ 35,480.87

6050 Employee Benefits	
6050.15 General & Admin Corporate HQ	132.30
6050.21 Sales Admin	10,104.64
6050.31 Resort Admin	23,310.49
6050.40 Hotel/Club House	4,432.93
6050.42 Dining/Kitchen	5,738.21
6050.46 Stables/Petting Zoo	1,011.08
6050.48 Spa/Salon	939.60
6050.49 Ranch Resort	31,269.78
Total 6050 Employee Benefits	\$ 76,939.03
6060 Insperity Services/Tech	
6060.15 General & Admin Corporate HQ	335.16
6060.21 Sales Admin	2,647.54
6060.31 Resort Admin	4,744.96
6060.40 Hotel/Club House	3,469.47
6060.42 Dining/Kitchen	3,421.88
6060.46 Stables/Petting Zoo	586.46
6060.48 Spa/Salon	363.02
6060.49 Ranch Resort	8,698.58
Total 6060 Insperity Services/Tech	\$ 24,267.07
6070 Additional Charges or Credits	12,225.20
Total 6000 Payroll Expenses	\$ 638,399.58
Total Expenses	\$ 1,062,386.37
Net Operating Income	-\$ 630,680.61
Net Income	-\$ 630,680.61

Friday, Aug 02, 2019 06:20:23 PM GMT-7 - Cash Basis

Silver Saddle Ranch and Club, Inc.

PRELIMINARY PROFIT AND LOSS BY CLASS

January - June, 2019

	CORPORATE	RANCH	TOTAL
Income			
3003 Principal, Down Pymnts Interest		22,226.92	\$22,226.92
3003.1 Interest Income-Land Contract		9,474.12	\$9,474.12
3003.2 Late Fees- Land Contracts		336.56	\$336.56
3105 Ranch Income Allocation		9,041.43	\$9,041.43
3130 Income (Club) Dues-SSRC		393,769.52	\$393,769.52
3132 Restaurant and Banquet Sales		92.85	\$92.85
3135 Room Rental Income		109.86	\$109.86
3501 Refunds and Chargebacks		-3,345.50	\$ -3,345.50
Total Income	\$0.00	\$431,705.76	\$431,705.76
GROSS PROFIT	\$0.00	\$431,705.76	\$431,705.76
Expenses			
4000.99 Ranch Expenses		17,944.45	\$17,944.45
4108 Auto-Ranch		1,047.31	\$1,047.31
4108.1 Fuel-Ranch		5,493.04	\$5,493.04
4108.2 Mileage Reimb Ranch		163.10	\$163.10
Total 4108 Auto-Ranch		6,703.45	\$6,703.45
4110 Comm. Svc. & Utilities	923.51	8,728.60	\$9,652.11
4110.1 Water		101,082.87	\$101,082.87
4110.4 Propane		13,542.78	\$13,542.78
Electricity		43,160.97	\$43,160.97
Pest Control		8,950.50	\$8,950.50
Trash Collection		9,948.69	\$9,948.69
Total 4110 Comm. Svc. & Utilities	923.51	185,414.41	\$186,337.92
4220 Contracted Work		30,254.00	\$30,254.00
4220.2 Security		2,093.82	\$2,093.82
Total 4220 Contracted Work		32,347.82	\$32,347.82
4259 Employee Meals	446.52	112.72	\$559.24
4261 Rm/Kitchen/Bar Supplies		22,792.50	\$22,792.50
4271 Insurance		8,856.60	\$8,856.60
4330 Professional Fees		300.00	\$300.00
4790 Travel & Entertainment	306.60	215.41	\$522.01
Total 4000.99 Ranch Expenses	1,676.63	274,687.36	\$276,363.99
4002 Ranch-Supplies and R&M			\$0.00
4000 Food and Bar Purchases and Supplies		1,606.50	\$1,606.50
4331 Other Supplies and Expenses		7,373.58	\$7,373.58
4331.1 Equipment Rental		13,347.93	\$13,347.93
Total 4331 Other Supplies and Expenses		20,721.51	\$20,721.51
4333 Amenity Supplies/Guest Entertainment		400.00	\$400.00
4333.1 Feed and Stable Supplies		7,673.14	\$7,673.14
4333.2 Spa Supplies		1,301.49	\$1,301.49
4333.3 Pool Supplies		365.34	\$365.34
4333.4 Trap and Skeet Supplies		401.65	\$401.65

	CORPORATE	RANCH	TOTAL
4333.5 Guest Entertainment		631.47	\$631.47
Total 4333 Amenity Supplies/Guest Entertainment		10,773.09	\$10,773.09
4551 Repair/Maintenance/Supplies & Svc		76,421.64	\$76,421.64
4551.1 Tools		108.92	\$108.92
Total 4551 Repair/Maintenance/Supplies & Svc		76,530.56	\$76,530.56
Total 4002 Ranch-Supplies and R&M		109,631.66	\$109,631.66
4006 General and Administrative			\$0.00
4001 Salaries and Wages			\$0.00
4001.1 Relocation Bonus		5,000.00	\$5,000.00
Total 4001 Salaries and Wages		5,000.00	\$5,000.00
4003 Insurance			\$0.00
4670 Liability and Other Insurance	61,208.01		\$61,208.01
Total 4003 Insurance	61,208.01		\$61,208.01
4022 Licenses, Dues, and Fees	2,261.97	6,996.39	\$9,258.36
4104 Auto and Truck Expenses	9,187.04		\$9,187.04
4104.1 Fuel	66.64		\$66.64
4104.2 Mileage Reimb Corp	2,175.79		\$2,175.79
4104.3 Parking and Tolls	70.00		\$70.00
Total 4104 Auto and Truck Expenses	11,499.47		\$11,499.47
4109 Telephone & Utilities	11,119.07	15,893.74	\$27,012.81
4112 Lawsuit Settlements	15,000.00		\$15,000.00
4119 Postage and Delivery	13,364.28	764.95	\$14,129.23
4332 Legal and Professional Fees	142,734.90		\$142,734.90
4336 Bank Charges	346.72		\$346.72
4337 Merchant Fees	5,305.46		\$5,305.46
4440 Rent and Lease Expense	53,943.15		\$53,943.15
4549 Office Supplies and Expenses	6,050.80	3,721.83	\$9,772.63
4549.2 Hiring Expense	78.42	100.00	\$178.42
4549.6 Subscriptions	685.07	90.81	\$775.88
Computers and Accessories		1,881.99	\$1,881.99
4549.5 Software	3,773.71	1,138.26	\$4,911.97
4549.7 IT Services	24,072.00	920.00	\$24,992.00
Total Computers and Accessories	27,845.71	3,940.25	\$31,785.96
Copier Lease	3,035.46		\$3,035.46
Total 4549 Office Supplies and Expenses	37,695.46	7,852.89	\$45,548.35
4552 Repairs and Maintenance	5,368.86		\$5,368.86
4910 Recording and Title Fees	16,278.38		\$16,278.38
4950 Service Bureau, Loan, and Other Fees	42,437.98		\$42,437.98
4960 Other Taxes and Licenses			\$0.00
4111 Property Taxes	26,693.42		\$26,693.42
7112 Franchise Taxes	3,200.00		\$3,200.00
9999 Penalties		2,625.00	\$2,625.00
Total 4960 Other Taxes and Licenses	29,893.42	2,625.00	\$32,518.42
7335 Interest Expense	1,050.81		\$1,050.81
Total 4006 General and Administrative	449,507.94	39,132.97	\$488,640.91
4600 Selling and Advertising Expenses	770.33		\$770.33
4007 Referral Fees	17,862.50		\$17,862.50

	CORPORATE	RANCH	TOTAL
4601 Marketing and Advertising	4,301.78		\$4,301.78
4671 Media Advertising		109.07	\$109.07
4676 Other Advertising	860.00	425.73	\$1,285.73
4676.2 Gift Cards	405.95		\$405.95
Total 4676 Other Advertising	1,265.95	425.73	\$1,691.68
4679 Marketing Costs and Supplies	17,312.68		\$17,312.68
Promo Gifts	1,000.00		\$1,000.00
Total 4679 Marketing Costs and Supplies	18,312.68		\$18,312.68
5686 Customer Incentives	2,125.00		\$2,125.00
Total 4601 Marketing and Advertising	26,005.41	534.80	\$26,540.21
Total 4600 Selling and Advertising Expenses	44,638.24	534.80	\$45,173.04
6000 Payroll Expenses			\$0.00
6010 Wages & Salaries			\$0.00
6010.15 General & Admin Corporate HQ		6,661.86	\$6,661.86
6010.21 Sales Admin		52,856.03	\$52,856.03
6010.31 Resort Admin		122,051.12	\$122,051.12
6010.40 Hotel/Club House		30,867.93	\$30,867.93
6010.42 Dining/Kitchen		53,507.03	\$53,507.03
6010.46 Stables/Petting Zoo		13,958.19	\$13,958.19
6010.48 Spa/Salon		2,718.34	\$2,718.34
6010.49 Ranch Resort		158,439.84	\$158,439.84
Total 6010 Wages & Salaries		441,060.34	\$441,060.34
6020 Bonus Pay			\$0.00
6020.31 Resort Admin		650.00	\$650.00
Total 6020 Bonus Pay		650.00	\$650.00
6030 Payroll Tax Allocation			\$0.00
6030.15 General & Admin Corporate HQ		962.63	\$962.63
6030.21 Sales Admin		5,473.66	\$5,473.66
6030.31 Resort Admin		11,961.96	\$11,961.96
6030.40 Hotel/Club House		4,406.13	\$4,406.13
6030.42 Dining/Kitchen		6,347.64	\$6,347.64
6030.46 Stables/Petting Zoo		1,543.79	\$1,543.79
6030.48 Spa/Salon		392.78	\$392.78
6030.49 Ranch Resort		16,688.48	\$16,688.48
Total 6030 Payroll Tax Allocation		47,777.07	\$47,777.07
6040 Workers Comp/Employment Liability Ins			\$0.00
6040.15 General & Admin Corporate HQ		85.83	\$85.83
6040.21 Sales Admin		1,493.09	\$1,493.09
6040.31 Resort Admin		1,091.70	\$1,091.70
6040.40 Hotel/Club House		4,460.83	\$4,460.83
6040.42 Dining/Kitchen		4,171.28	\$4,171.28
6040.46 Stables/Petting Zoo		1,953.87	\$1,953.87
6040.48 Spa/Salon		227.22	\$227.22
6040.49 Ranch Resort		21,997.05	\$21,997.05
Total 6040 Workers Comp/Employment Liability Ins		35,480.87	\$35,480.87
6050 Employee Benefits			\$0.00
6050.15 General & Admin Corporate HQ		132.30	\$132.30
6050.21 Sales Admin		10,104.64	\$10,104.64

	CORPORATE	RANCH	TOTAL
6050.31 Resort Admin		23,310.49	\$23,310.49
6050.40 Hotel/Club House		4,432.93	\$4,432.93
6050.42 Dining/Kitchen		5,738.21	\$5,738.21
6050.46 Stables/Petting Zoo		1,011.08	\$1,011.08
6050.48 Spa/Salon		939.60	\$939.60
6050.49 Ranch Resort		31,269.78	\$31,269.78
Total 6050 Employee Benefits		76,939.03	\$76,939.03
6060 Insperity Services/Tech			\$0.00
6060.15 General & Admin Corporate HQ		335.16	\$335.16
6060.21 Sales Admin		2,647.54	\$2,647.54
6060.31 Resort Admin		4,744.96	\$4,744.96
6060.40 Hotel/Club House		3,469.47	\$3,469.47
6060.42 Dining/Kitchen		3,421.88	\$3,421.88
6060.46 Stables/Petting Zoo		586.46	\$586.46
6060.48 Spa/Salon		363.02	\$363.02
6060.49 Ranch Resort		8,698.58	\$8,698.58
Total 6060 Insperity Services/Tech		24,267.07	\$24,267.07
6070 Additional Charges or Credits		12,225.20	\$12,225.20
Total 6000 Payroll Expenses		638,399.58	\$638,399.58
Total Expenses	\$495,822.81	\$1,062,386.37	\$1,558,209.18
NET OPERATING INCOME	\$ -495,822.81	\$ -630,680.61	\$ -1,126,503.42
NET INCOME	\$ -495,822.81	\$ -630,680.61	\$ -1,126,503.42

EXHIBIT 5

Galileo Commercial Property Owners' Association August 10, 2019
Minutes Meeting

Summary: The meeting commenced at exactly 11:00 am and it was concluded at 4:05 PM. The meeting was presided by the Board of Directors (BOD) officers: Carlos Novelo, Pres., Rebecca Montano, Treasurer and Antonio Garcia, Secretary. The attendees were people from different group like the Filipino, Chinese and Hispanic Group. We realized that there may be issues in Communicating but it turned out there were members who served as translators to their group. After the meeting discussion, it became chaotic because we have 3 groups all speaking at the same time. Later, however some members stepped up to become interpreters for Spanish and Chinese. There were approximately 65 to 75 member owners present.

We set the usual administrative rules regarding cell phones and to hold off your questions until the very end of our presentation.

The President of the Owners Association, Carlos Novelo stated that the job of the BOD is look after the best interest of the owners of the Galileo Commercial Property project.

A goal was conveyed to the members and that is to become united in a decision that could possibly be an answer to what Silver Saddle Ranch and the Galileo Commercial property project is facing legally. The BOD will ask everyone to make a decision by signing a Petition that hopefully, can be presented to the Judge in California who maybe presiding over the Department of Business Oversight (DBO) Complaint. In doing so, the

BOD of the Galileo Commercial Owners' Association can show unity to the Judge and convey to the court the owner's desire to include in any order any of the following:

a). As a part of a settlement to the law suit, the court could order the Plaintiff, Mr. Thomas Maney to grant the ownership of Silver Saddle Ranch to the approximate 2000 members of the Galileo Commercial Property Owners, if the court finds that the Plaintiff committed gross wrong doings relating to the money paid by the owners to Mr. Thomas Maney.

b). If the court is not inclined to order a "Writ of Mandamus" for Plaintiff Thomas Maney as mentioned above, then we would ask the Judge to allow the Galileo Commercial Property Owners (WE) to acquire the Silver Saddle Ranch property through a normal sale process subject to settlements of any account that may legally belong to the Owners that the Plaintiff may have embezzled or improperly used.

It was discussed in the meeting that when the owners were approached to become involved with the Galileo Commercial Property Project, they were told that by buying into this project for the potential of creating a future income through land banking. The owners were getting involved as part owners of 1022 acres of commercial land which will eventually be developed. The land will then be rented out to large companies both private and Government entities that can use the land. The income from that speculation will serve as benefit of buying units of the Galileo Commercial Property. In the beginning we were also told that there is going to be a shift in the population coming towards our way – California City – as Los Angeles and Lancaster becomes over populated. We were sold the concept of LAND BANKING and that this is supposed to be very

good strategy in real estate. While we the owners bought into the speculative ideas, we also knew there are risk in any investments. Some of the owners are aware that it could take years before we can see any of these development that could produce income that we supposedly will reap when the time comes. We also came into the project and decided to buy our units because of the fact that we can come here and enjoy the use of SILVER SADDLE RANCH.

But it became apparent to some members that there have been no development into the project; that communications with the owners were dismal at best; that the DBO law suit which was not truly communicated to all members is obviously a larger issue that could affect the Owners of the Galileo Commercial Property Project. Some voiced that there was not “transparency”. Some voiced their concerns about collection processes and the lack of governance and documentations relating to the project. Others expressed their concerns regarding the Galileo Commercial Commercial Property Project as to where it is going. Some people asked when they are going to see some developments and/or some profits that they were promised. There are also a good number of people who are still paying on the contract relating to the purchase of the Galileo Commercial Property Project. Should they continue to pay inlight of the lawsuit that has not been adjudicated? These are just one of the many question that the BOD will have to answer by the end of the meeting.

The BOD presented the information relating to the DBO complaint dated May 2018 that was filed against Thomas Maney; the Silver Saddle Ranch; the Silver Saddle Development and the Galileo Commercial Property Association(GCPOA Board of Directors). We gave a small background the function of the **Department of Business Oversight (DBO)**.

WE stated the allegation cited in the complaint in that the SILVER SADDLE RANCH did not follow the right way to sell the units by failing to register with the Secretary of Exchange Commission and among other things said that it took advantage of people like ourselves who do not have any experience in investing. We disclosed that The Department of Business Oversight (DBO) issued a “cease and desist” order so that any and all sales activity relating to the Galileo Commercial Property Project was completely stopped by the State. We gave this reason why there had been no activity at the Silver Saddle Ranch relating to any sale like it was before where we see many people coming to the Ranch to listen to the sales presentation. We also disclosed that in addition, there is another similar legal suit filed in Los Angeles county by a handful of owners. It was stated in the meeting that the lawsuit was merely a carbon copy from the law suit of the DBO word for word. We told the owners that this legal matter is still on-going and it could drag on for many months.

We discussed with the crowd that in the beginning of this year that we, in the group of panel were voted in to fill the position as officers of the BOARD of DIRECTORS. Carlos Novelo is serving as the President, Rebecca Montano is serving as the Treasurer and I am serving as the Secretary. That our job is to act make decisions; carry out decisions and use our knowledge to protect every owner’s interest.

We disclosed that we were able to take over the ASSOCIATION and we have taken over the control of the banking aspect of the project. We stated that the Galileo Commercial Property Owners Association (GCPOA) was also named as one to the Plaintiff and that we will be asking the court to remove us as Defendants

because the Board of Directorship no longer have any connection with Thomas Maney.

We expressed the desire of many owners to continue developing the Galileo Project and the operation of the Silver Saddle Ranch for the benefit of all of you and their families. The owners would like to see businesses start to emerge on the Galileo Project land. We discussed the interest of the California City in the project. The City Manager also showed up in the meeting to show support the development of the Galileo Project. The City Manager spoke about their interest of an industry who could use the land by planting and harvesting Cannabidiol (CBD) products derived from HEMP. We as members of the Board also mentioned the possibility of pursuing other ideas such as WATER PARK OR perhaps a CASINO in the Galileo Commercial Property.

There was a discussion about the purchasing of SILVER SADDLE RANCH which the Galileo Commercial Property Owners' Association could exercise however it has expired. The Board of Directors believe that we can still exercise the right to purchase even if the time has expired.

We, the owners, are united to influence the Court's decision on the matter of DBO vs Thomas Maney, Silver Saddle Ranch, LLC, Silver Saddle Development etc..

It is our intentions to make it known that that we, the Galileo Commercial Property Owners Association, (GCPOA) want to acquire the ownership of the SILVER SADDLE RANCH and that the Association will run the operations of the Ranch. A favorable court decision that will grant or allow actions to acquire the Silver

Saddle Ranch might alleviate any losses that the owners may eventually experience. We also believe that if we tell the judge that we want to do this, the court may drop the case against Silver Saddle Ranch **so we can continue to operate** and enjoy the Ranch. If we become owners and we run the business right, we could see some profits for the owners.

The following were questioned posed by the attendees:

1. Why are we not receiving any notices as owners regarding the issues about the project?

Answer: Before us, the Galileo Commercial Property Owners' Association was Thomas Maney alone. His office would have been the responsible entity to notify us, the owners. The new Galileo Commercial Property Owner's Association just recently became in power as we, the owners, took the rights from Mr. Thomas Maney. Notifications will not be handled by our office in Las Vegas as soon as we have the record of those who are members of the Galileo Project. It is important that we know every member, their telephone, address and email address so that we can share information to them. They should contact our office via telephone at 888-571-6977 Email: infogcpoa@gmail.com so that their information is updated.

2. I have paid my unit in 2014 in full. Today I have not receive a penny on my investment. Why?

Answer: This is the reason there is a Legal Suit against Mr. Thomas Maney and it is up to the court to sort this out for us.

3. Do you truly represent the GCPOA or Thomas Maney?

Answer: Provide Proof

4. How many do we need for signatures?

Answer: 51% of owners.

5. Who is paying our Attorney? Answer: The Galileo Commercial Property Owners Association.

6. Some of us relied on the income we get when we get paid for referring people to the project. Now that it has stopped we can no longer pay. What can be done?

Answer: There are many owners in the similar situation. Once we take control of the collection process we will work with each of the owners regarding how to make their payment status back in order.

7. Why are we not getting notified on matters that pertains to the Owners? Answer: When we took over a few weeks ago we asked for information of all the owners. Maney gave us a list that is incorrect or incomplete.

8. Why do we need to continue paying? Answer: If we signed a contract to pay it may be enforceable regardless unless the court declares it to be void. As it stands, we are still responsible.

Most of the questions were answered and we emphasized the importance of being united in what we want to tell the court.

In the end of the meeting the petition was signed by approximately all 70 attendees. The signed petition will be given to our Attorney Mr. Darryl Horowitz.

Prepared by: Antonio Garcia

Secretary: Antonio Garcia 08/11/2019

EXHIBIT 6

Tom,

I will try to get some detailed costs for an offsite operation soon. For now, I want to point out a few things:

On-site or offsite?

There will be a big difference as to who the offsite would be geared to. Present owners and/or new clients, ethnic backgrounds & geographic areas. I would assume that we would not be able to sell out our product with our existing owners, so we need to expand our program to the general public.

I think that the major reasons for our present successes are due to the Referral program and the marketing to Asians. I think we should stick to this format since we know it works. The Asians have the money, they are not marketed heavily by our type of business and they produce referrals. Our extreme efforts to market these people in their languages (both written and verbal) and our efforts to make them feel welcomed and comfortable at our Ranch and most importantly, having Sales people who speak and understand their cultures had paid off handsomely. Not too many organizations can or will do all of above. Many of the Asian cultures understand network marketing. They have large extended families living in California. They are used to families taking care of their fellow families. The trust and bond in their extended families are strong. This is why they work the referral system so well. I also think we could target smaller ethnic groups that have the same profile.

Our present owners could be marketed by sending them directly to the Ranch or in a temporary/mobile offsite. First, they would be sent a newsletter (non-members too) with our current inventory prices and then be offered a discount on a second lot. The main purpose is to show them the value in the decision they made with us in the past. If they do want a second lot, all the better. This is mainly a set up to call and invite the owners to talk with us – to be happy about us. We could start this up with a minimal of materials, especially if they were sent to the Ranch. A video may not be absolutely necessary to judge how the sales program will work. We could get a lot of feedback and then know exactly how to design the video to meet objection that we never ever thought of before or how to tighten up some points. On a small limited test run of several “tours” a week, we could know what type of beast we are dealing with before a full blown launch. We do need the best videos that many can buy, they will pay themselves back many times over, but we want to do it right and know exactly what needs to be in them first.

Eventually, to sell to the general public, a short version for the “warm up intro” and a longer version for take home which reinforces their decision and can be used as a tool for getting referrals – both are extremely important.

To sell a \$30,000 product offsite, we need to have permanent, plush and impressive surroundings. I don't think we could do hotel/dinner banquets. Because of serious traffic problems, off-sites in LA or the Bay Area run heavy during weekends and do light tours Wed thru Fri. There are some thoughts in the timeshare industry that there is a big difference with offsite sales management and Agents versus onsite – two separate breeds of people. It would be even more difficult management and Agents to do both, unless it is a two step process. If we had a separate crew, there would be a lot of friction between them and Robert/Jerry. We would definitely have investors who will want to see the place before they purchase, so we would need a sales crew at the Ranch too. Can they commingle? Do we have a separate sales area? I think it is important to have Robert/Jerry on board, so I don't have an answer to this complex situation.

I think the best thing to do is to try a handful of tours at the Ranch first with out the video. Test things – tweak things and regroup.

EXHIBIT 7

THE SILVER SADDLE RANCH & CLUB

is a fabulous resort in the California high desert that combines the benefits of property ownership with membership in a private ranch and club.

For selected couples, you'll stay near our ranch in the city of Mojave the night before your visit. The next day, you'll start the morning with a Ranch Style Breakfast at the Silver Saddle Ranch, all of this on us! Next comes an exciting two hour tour of our ranch and surrounding properties with one of our friendly representatives where you'll learn what we have to offer you. While we want

you to experience all of our activities, we may restrict the use of the horses to our current members. After your tour and presentation of property ownership, we guarantee you'll be awarded one of these fabulous gifts as a way to thank you for sharing some time with us. *You are absolutely under no obligation to purchase anything.*



First Class Round Trip Airfare Tickets For Two

to Your Choice of:

Seoul
Manila
Beijing

Taipei
Saigon
Hong Kong

or
\$2,500 Cash!!!

Vacation Package For Two to Hawaii

Includes:

Your Choice of Islands
Airfare & Hotel Accommodations
For 5 Nights For Two
or
\$1,000 Cash!!!



\$500.00 SHOPPING SPREE

to your choice of:

YOUR FAVORITE MARKET OR RESTAURANT



Fabulous Las Vegas Vacation For Two

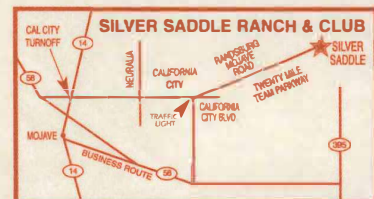
Includes:

4 Days & 3 Nights Hotel Accommodations

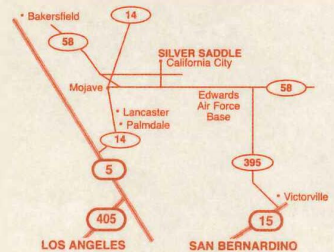


SILVER SADDLE RANCH & CLUB

20751 Aristotle Dr. California City, CA 93505
(760) 373-8617



MAP NOT TO SCALE



Dear: _____

You have been invited by: _____

Date: _____ Time: _____

Representative: _____

You have been given an opportunity to participate in the Silver Saddle Ranch and Club tour. This program has been designed for couples between the ages of 25-60 who are gainfully employed and credit worthy. Everyone who is eligible and completes our tour lasting approximately two hours will be guaranteed to receive one of the listed gifts. Previous visitors are ineligible. Couples must complete the tour together. Recipients of the major gifts agree without further payment or consideration, to allow the use of their names, pictures, and statements for promotional purposes. Grand award recipients are responsible for all appropriate taxes. Chances of receiving each particular gift are: First Class Round Trip Tickets, 1:74950. Hawaii Vacation Package, 2:74950. Shopping Spree, 10:74950. Las Vegas Vacation, 74937:74950. All air and accommodation prizes are for non-holiday/peak periods. Las Vegas Vacation is of mid-week use on a room availability basis and require a 60 day advance notice. Food, gratuities, transportation and applicable taxes are the responsibility of the recipient. Taxes must be paid by deposit upon confirmation of reservation and will not exceed \$30. All prizes are valid for one year of issuance. Sponsors of this package are not liable for injury, loss or damage of any kind resulting from the acceptance or use of this prize and participation in this promotion. One gift per vehicle or household. Employees or family members of employees of Silver Saddle Ranch or any other companies involved with a Silver Saddle Ranch promotion are not eligible for participation. Gift determination is made by matching reference numbers randomly selected with a master list at the club. All information regarding this promotion cannot be modified by any telemarketing representative. No one will be discriminated against for the granting of credit on the basis of color, race, religion, national origin, sex, marital status, age, or source of income.

PRIZE DRAWING

REDEEM THIS VOUCHER FOR YOUR PRIZE.

YOU WILL BE GUARANTEED ONE OF THE FOUR DIFFERENT PRIZES LISTED ON YOUR INVITATION THROUGH A RANDOM DRAWING.

See your invitation for details and qualifications.

Limit one per family.

BREAKFAST VOUCHER

REDEEM THIS VOUCHER FOR YOUR BREAKFAST WITH US.

GOOD FOR THE ENTIRE FAMILY. START YOUR DAY OFF WITH A WESTERN STYLE BREAKFAST.

See your invitation for details and qualifications.

ACTIVITY PASS

REDEEM THIS VOUCHER FOR A ONE DAY PASS.

GOOD FOR THE ENTIRE FAMILY. ENJOY THE USE OF MANY OF OUR RANCH ACTIVITIES.

See your invitation for details and qualifications.

HOTEL VOUCHER

REDEEM THIS VOUCHER FOR YOUR FREE ONE NIGHT STAY.

See your invitation for details and qualifications.

EXHIBIT 8

To ensure a good kick off for optimum success:

Product Price after drops = \$25,000
Minimum Down = \$4,000
Improvement Funds = \$1,000

Someone could get into this for \$5000. I think this is a very attractive number which many people could place on a credit card.

If financed, we go with 8.9% at auto pay for 10 years = \$264.88 + \$35 = \$299.88

Non auto pay goes up to 2% extra (\$288.09 + \$35).

We may want to consider raising the rates for bad credit - maybe a couple of points at one or two different levels. Maybe lower rates with higher down payments too.

\$299.88 (notice 88 for the Chinese) is something very livable to most people and could be on an auto credit card too.

I would propose a \$3500 commission (15%) that would be paid at \$1000 up front with the balance paid out over the life of the loan. If the agent gets all cash, they get everything up front. Early payoffs mean the agents get paid sooner too. Maybe a spiff at 50% down? *Since there will always be defaults – maybe 20% in the long run, the true commission rate would probably be 12%, especially considering we are not paying interest to the agents. By paying out over the life of the loan, the agents have an interest in trying to save deals down the road.* I know that the big question is whether the agents would go for something like this. If they can make plenty of sales, meaning a couple of closed sales per week, they would have good up front money with plenty of residuals. A few sales at \$1000+ is better than land sales commissions if they are not closing any land deals. The big compensation part could be if they are on top of their own “pyramid” (should not use that phrase, but I need to get the point across)....more on that later.

If we were to get individual who are on top of the pyramid lines of many other programs into ours, we could try to do this without any marketing costs. There are many other pyramid programs with crappy products that are succeeding. We would have a better product, so as long as we

could get these “producers,” we could make this work. In fact, I think our only ways of making this work is with close to zero marketing costs. I would only go with lot trades and direct marketing so we have little risk.

I’m thinking the following in terms of pyramid payoffs:

Three levels deep is all we go. A personal (front line sales) volume of some amount every quarter.

First level = \$1000

Second level = \$750

Third level = \$250

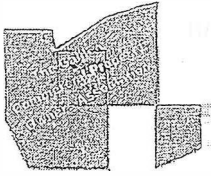
Maybe we do an extra incentive that for every 10 front line sales they make per quarter, they get an extra share (value \$25,000)? Or a higher total amount of sales, but include front and second line?

Anyhow, back to the Agents: They can purchase and be on top of their own pyramid so they can make plenty of extra monies. They could more than double their earnings if they are doing everything on their own.

I’m not sure what percentage of our deals would be all cash, but I would take a guess that at least 10% is a conservative amount.

If we do not have marketing costs, we have \$1000 left over for “extras” and manager overrides. All managers can be placed on the same deal where a good portion of the commissions are paid out over the life of the loan – as long as monies are also being earned through land sales.

EXHIBIT 9



The Galileo Commercial Property Owners Association

7635 N. San Fernando Road
Burbank, California 91505

Dear LandBanking Plus+ Unit Owner;

During the tour and your purchase of your Unit, we go over a lot of information and this makes it easy to forget all the benefits and features of Ownership. It is easy to forget that as a Unit Owner, you are part of an Association of Owners called the Galileo Commercial Property Owners Association. As such, similar to a Homeowners Association or Condo Association and even many professional Associations there is an annual fee.

The Capital Improvement Fund is designed for the actual development of the 1020 acres and is not intended for the regular expenses of the Association. As such it takes 51% of the owners to approve spending of the CIF Fund. The Association Fee is the operating funds for the Association. The dues for the Galileo Commercial Property Owners Association is \$480 per year plus \$12 per year for Property Tax. This can be paid monthly at \$41 per month, quarterly at \$123 per quarter or annually at the \$492 per year. Of this amount, \$320 goes towards the Membership at Silver Saddle Ranch & Club. Here is a list of some of the Benefits of Unit Ownership:

- **Accommodations on Weekends and Holiday are Members Only!** While we do offer non-members access to the resort Sunday through Thursday, **Friday and Saturday night are for YOU!** Of course, you can bring Referrals and your guests, a maximum of 2 accommodations per membership per stay plus yours.
- **No limit on the number of Stays per year!** You can get free stay every time you bring a qualified referral with you. Additionally, enjoy special member prices to come up any time to getaway and enjoy all the Ranch has to offer! Come often and take advantage of your Home away from Home, get the fresh air, enjoy the outdoor activities and have fun.
- **Discounts on the Hotel Rooms, Suites and Cottages** (for example a Room with 1 Queen Bed is \$110 for non-members and \$55 for members, your first guest actually also receives a discount of the Guest of Member Rate of \$80 for the 1 Queen bed.
- **Special Rates for Trap & Skeet** at only \$15 per round of 25 shots. This basically just covers the costs including Shells, Clays and a very small portion towards the labor.
- **Restaurant Discount** – members receive a 10% discount at the Desert Willow Restaurant for their entire check even if you are paying for your non-member guests.
- **Travel Club** – Discounts on stays at hotels, timeshares and condos throughout the World. Want to go back to the Philippines, China, Taiwan or Mexico, look to the Travel Club first for great prices sometimes as low as \$199 for a whole week. Want an exotic vacation to Hawaii, the Caribbean or something closer like Las Vegas, Big Bear or Lake Tahoe, again the Travel Clubs offers fantastic deals. There are also discounts on Airfares, Car Rentals and Amusement Parks.

- **The Referral Program** - Bring your friends and family so they can learn about the Galileo Project at Silver Saddle Ranch & Club! You are excited about the opportunity LandBanking Plus+ provides and all the benefits available to you. Don't you want your family and friends to be partners with you in this fantastic product?
 - You get a free stay for yourself when bringing referrals
 - Free night stay for your referrals, up to two referrals per night.
 - Complimentary Dinner and Breakfast for all of you!
 - Complimentary Activities Wristband for your Referrals (you and your immediate family already receive all the activities as part of your ownership).
 - Membership prices for your Referrals at Trap & Skeet and the Spa. They can enjoy a Massage, Facial or get pampered with a Pedicure or Manicure!
 - And that is not all – we always have special Referral Program benefits including Cash and Prizes for you if they decide to join the Silver Saddle Family as a LandBanking Plus+ Unit Owner. Ask your agent about the current promotion.
 - Additionally, your referrals will receive a raffle drawing where they are guaranteed one of four great prizes and sometimes other gifts also, contact your Agent for reservations and details.

Should you decide not to come to the Ranch, travel isn't your thing, and you want to keep the opportunity and benefits of LandBanking Plus+ ownership a secret that you enjoy? That's Fine! The most important benefit of paying your association fee is maintaining your investment. The Ranch is the catalyst for development of the 1020 acres. Who will want to invest in development of businesses around the Ranch if the Ranch gets run down? If the Association purchases the Ranch or not, the Ranch is beneficial if developing an RV Park, Timeshare or Hotel on the 1020 acres.

Besides the Ranch, the Association needs funds for the evaluating process of developing the 1020 acres. As this is an active investment and Unit Owners need to be involved in the development and decision making process. At times though, it will take outside consultants, marketing firms, surveys and other businesses to help evaluate the ideas and put the proposals together. Funds are needed for people (accounting people) to manage the funds, invest the CIF Funds, process the revenue and expenses etc. There are legal fees, Committee expenses, and general expenses of the Association. Basically, it takes money to maintain and hopefully improve the value of your investment. No one wants to dollar wise and penny foolish.

Sincerely,



Thomas M. Maney
Board President

Initial: _____

Date: / /2018

Referral Fee Guidelines



Every time you bring a qualified referral to the Ranch who completes an agent guided guest tour, you will be paid according to the following guidelines.

Referring Unit Owner will receive: (up to 2 referrals per visit).

\$125.00 Friday overnight and Saturday Tour

\$50.00 Saturday overnight and Sunday Tour

Referring Unit Owner & referral guests will receive:

complimentary Hotel Accommodation

Breakfast & Dinner

Ranch Amenity passes

Land Banking Plus+ Galileo Project Tour

Referral guests who complete the tour will also receive:

Prize Drawing: You will WIN one of these four prizes: *First Class Round Trip Airline Tickets for Two to Philippines or China or Vacation Package for Two to Hawaii or \$500 Shopping Spree or Fabulous Las Vegas Vacation for Two!*

Special gifts of a *beautiful watch set* and a *Video Camera*

Referring Unit Owner will receive Ranch Referral fees up to two referrals a day regardless of whether referral guests decides to purchase or not. All referral requirements must be met. Please read the last page of this referral guideline flyer for a complete list of referral program guidelines. Please make an advance reservation with your Agent.

Agent Name: _____ Phone Number: _____

To be eligible you **MUST** register your referral with your agent. Your agent will **need** the following information:

- 1. Your Unit Number or Lot Number, Tract Number and Member Number. _____
- 2. Closing date of your purchase: _____
- 3. Name(s) of the referral you are bringing _____



BONUS PROGRAM GUIDELINES:

- A.) You must be an association paying Member of Silver Saddle Commercial Development or a member of Silver Saddle Ranch & Club (i.e.: lot owner member).
- B.) Your transaction must be completed and/or your escrow closed.
- C.) Your loan account and dues must be current.
- D.) To help you start earning money right away, you will be allotted Six (6) referral reservations.
 - D.1) to continue booking referral reservations, one referral must close sale within your last 6 referral tours.
- E.) Your referrals must be gainfully employed.
- F.) Your referrals must have a combined annual income of \$40,000.00 or more.
- G.) If married, both husband and wife must complete the survey sheet and tour together.
- H.) Referrals must have one form of identification (like a driver's license), and a checkbook and a major credit card (like Visa, MasterCard, or Discover or American Express).
- I.) You will be paid for a maximum of 2 qualified referrals per day.
- J.) To qualify, your referrals must be over 25 years of age.
- K.) Previous visitors are not qualified.
- L.) Hotel rooms are subject to availability and referral reservation may be accommodated at another hotel property.
- M.) Your referral must complete a survey sheet with the correct home address, email address and phone number.
- N.) To receive any fees or bonuses you will need to be sure that your referrals check-in at the sales office as required and provide your Unit number or lot and tract and membership number. Your referral must complete the entire tour & presentation.
- O.) One referral per address.
- P.) This offer begins on your closing date, and expires 90 days from closing purchase. A new Bonus Program term will begin for you every 90 days.
- Q.) If a qualified sale is a 1/2 unit or 1/4 unit, the referral fee earned would be paid out at 50% or 25%, accordingly. No premium (TV, iPad etc.) will be awarded from fractional sales.
- R.) Only full unit owners are qualified to participate in this referral program unless an exemption is granted by a Sales Director of SSCD.
- S.) To qualify for the \$10,000.00 bonus, all sales must be sold as a full share and follow qualification on the previous page.
- T.) All Bonus Program Cash and Premium awards are paid for your referral's closed escrow purchase of a unit and is processed and paid after closing.
- U.) Referral checks and bonuses are subject to State and Federal Taxes and owners receiving referral checks and bonuses will receive a 1099 form after the end of the year. A W9 form must be completed prior to sending up referrals and requires either a social security number or Tax Identification Number (TIN).

Recipients of any gift or cash awards agree, without further payment or consideration, to allow their names, pictures and/or awards to be used for promotional purposes. Please speak with your Agent in advance regarding all holiday reservations and rates, some restrictions may apply. Silver Saddle Commercial Development reserves the right to terminate or change the program without notice or obligation.

Very truly yours,

Silver Saddle Commercial Development

Agent: _____

Buyers Acknowledges Receipt:

X _____

Purchase Date: _____

X _____

Unit #: _____



VIP AMBASSADOR REFERRAL PROGRAM

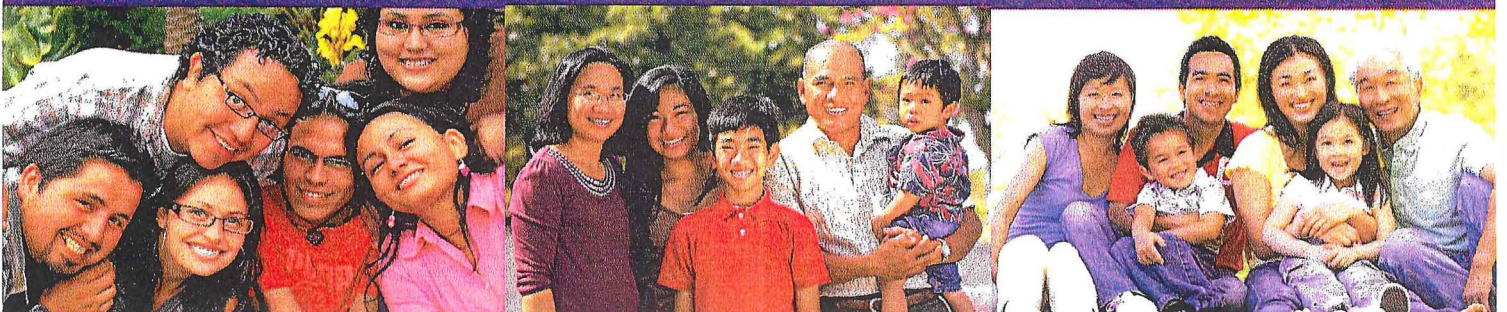


Silver Saddle Ranch & Club

"Galileo Project"

Unit Number: 8-

Agent Name & Telephone #



VIP AMBASSADOR REFERRAL PROGRAM



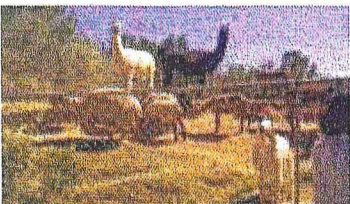
For your first qualified referral to the Ranch who completes an agent guided guest tour, you will receive \$100 . . . regardless if they purchase or not!

REFERRING UNIT OWNER & REFERRAL GUESTS WILL RECEIVE:

• Complementary Hotel Accommodation

• Breakfast & Dinner

• Ranch Amenity Passes



Land Banking Plus+ Galileo Project Tour

Referral guests who complete the tour will also receive:

Prize Drawing: You will WIN one of these four prizes: *First Class Round Trip Airline Tickets for Two to Philippines or China or Vacation Package for Two to Hawaii or*

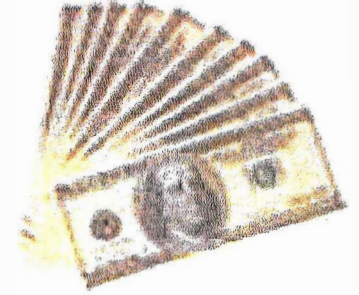
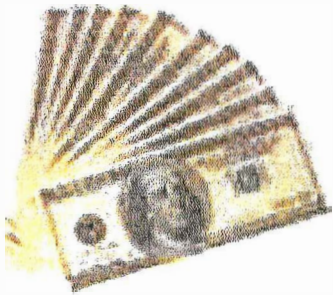
\$500 Shopping Spree or Fabulous Las Vegas Vacation for Two!

Special gifts of either a *beautiful watch set* or a *Video Camera*

Please read the last page of this referral guideline flyer for a complete list of referral program guidelines. All referral requirements must be met.

Please make an advance reservation with your Agent.

VIP AMBASSADOR REFERRAL PROGRAM



40" Flat screen TV

\$2,000.00

Sunday night stay with Monday Tour & Sale

\$1,500.00

Friday night stay with Saturday Tour & Sale

\$1,000.00

Saturday night stay with Sunday Tour & Sale

For Your First Sale, You Will Receive an Extra Bonus
A 40" Flat-screen TV

**Close 10 Full Unit Referrals and receive
an Additional**

\$10,000.00

TEN THOUSAND DOLLARS!

This \$10,000 bonus will be paid in equal installments over 10 months if yours and your referral's monthly loan payments are made on time. The 1st monthly bonus payment will begin after all 10 referral sales have made 3 consecutive monthly payments following close of escrow. To qualify, all sales must include a 20% down payment or greater and be written within the 90 day cycle. All escrows must be closed within 30 days after the 90 day cycle period. Additional rules and conditions are on the last page on this Referral program flyer.

To be eligible you MUST register your referral with your agent. Your agent will need the following information:



1. Your Unit Number or Lot Number, Tract Number and Member Number.
2. Closing date of your purchase:
3. Name(s) of the referral you are bringing

BONUS PROGRAM GUIDELINES:

- A.) You must be an association paying Member of Silver Saddle Commercial Development or a member of Silver Saddle Ranch & Club (i.e.: lot owner member).
- B.) Your transaction must be completed and/or your escrow closed.
- C.) Your loan account and dues must be current.
- D.) To help you start earning money right away, you will receive \$100 for your first referral.
- E.) Your referrals must be gainfully employed.
- F.) Your referrals must have a combined annual income of \$40,000.00 or more.
- G.) If married, both husband and wife must complete the survey sheet and tour together.
- H.) Referrals must have one form of identification (like a driver's license), and a checkbook and a major credit card (like Visa, MasterCard, or Discover or American Express).
- I.) A Maximum of 2 qualified referrals per day.
- J.) To qualify, your referrals must be over 25 years of age.
- K.) Previous visitors are not qualified.
- L.) Hotel rooms are subject to availability and referral reservation may be accommodated at another hotel property. Maximum 5 per room.
- M.) Your referral must complete a survey sheet with the correct home address , email address and phone number.
- N.) To receive any fees or bonuses you will need to be sure that your referrals check-in at the sales office as required and provide your Unit number or lot and tract and membership number. Your referral must complete the entire tour & presentation.
- O.) One referral per address.
- P.) This offer begins on your closing date, and expires 90 days from closing purchase. A new Bonus Program term will begin for you every 90 days.
- Q.) If a qualified sale is a 1/2 unit or 1/4 unit, the referral fee earned would be paid out at 50% or 25% , accordingly.
- R.) To qualify for the \$10,000.00 bonus, all sales must be sold as a full share and follow qualification on the previous page.
- S.) All Bonus Program Cash and Premium awards are paid for your referral's closed escrow purchase of a unit and is processed and paid after closing.
- T.) Referral checks and bonuses are subject to State and Federal Taxes and owners receiving referral checks and bonuses will receive a 1099 form after the end of the year. A W9 form must be completed prior to sending up referrals and requires either a social security number or Tax Identification Number (TIN).

Recipients of any gift or cash awards agree, without further payment or consideration, to allow their names, pictures and/or awards to be used for promotional purposes. Please speak with your Agent in advance regarding all holiday reservations and rates, some restrictions may apply. Silver Saddle Commercial Development reserves the right to terminate or change the program without notice or obligation.

Very truly yours,

Silver Saddle Commercial Development

Buyer Acknowledges Receipt: X _____ X _____

Agent: _____ Purchase Date: _____ Unit #: _____

EXHIBIT 10



7 Reasons
Why You should make
LandBanking *Plus+*
Part of your investment future.

*An investor's guide to
understanding the Benefits
& Rewards made possible
by Owning and Controlling
extremely large pieces of
Unique Prime Property
directly in the path of growth.*

The Path of Growth is . . .

“Today’s successful investors must embrace a new thinking; one that maximizes a person’s ability to bring about a gratifying, enriched & exciting financial future!”

-- Tom Maney, President SSRC

1 **LandBanking Plus+** does just that. It is a NEW investment strategy that enables the smart investor to pool small amounts of money with other like minded investors, to own and control a truly extraordinary and large piece of Prime Real Property directly in the path of the area’s “Unprecedented and Historic Growth”.

2 According to The History Channel... the Northern Antelope Valley’s explosion of new technologies will make the California Gold Rush... “look like a child’s game!” **LandBanking Plus+** means YOU are in the Path of that Gold Rush! New industries, technology, and BILLIONS of new investment means Jobs, Technologies, Big Companies and, Best of all... One of a Kind & Incredible Investor Opportunities!

3 **LandBanking Plus+** puts YOU in the Path of Prosperity!! In April of 2011 California Governor Jerry Brown signed into law... “33% of California’s energy must come from alternate sources by 2020” Shortly after, *Land Investment News* declared; The “Antelope Valley” is home to.... 95%of all of California’s wind generating capacity. Alternate Energy & the Antelope Valley are now one in the same and the small, informed investor is poised to take advantage of it!

The Path to Prosperity

4 The Area’s People of influence. Featured on Fox News and the New York Times... Billionaires; Paul Allen (co-founder of Microsoft) is expanding his interests into the area with his new Strato-launch Space Flight Co. Also, Sir Richard Branson (Virgin Atlantic Airlines, Virgin Galactic, and the Virgin Group) declares...

”Mojave is the Silicon Valley of the Space industry” These are only two of the many mega-entrepreneurs and business leaders NOW doing business in this dynamic area.

5 Also, **LandBanking Plus+** is better than previous Land-Banking investments. The Plus+ means investor’s have a built in property development account. This account belongs to YOU the investor and is to be used for the benefit of **LandBanking Plus+** approved projects. These funds are projected to exceed \$8,000,000 & the Best part is... all this Money belongs to YOU the Investor!

6 **Plus+** also Guarantees the fact that YOU, the investor, have continuous access to nearly 4,000 Beautiful Worldwide Resorts. Plus... YOU, and only YOU have an exclusive option to Own and Control the entire Silver Saddle Resort, its operations and total cash flow.

7 **LandBanking Plus+** is the best way to take advantage of today’s Media Headlines! Don’t just sit around and watch what everyone else is doing when YOU too can participate by making **LandBanking Plus+** part of your Investment Portfolio. Safety, Ownership, Participation and Control, coupled with an almost unlimited access to a network of Worldwide Resorts can bring about both a happier today an a more prosperous tomorrow!

**Take to heart these 7 reasons to include
LandBanking Plus+
In Your Financial Plans and you’ll be on the road to a
“Gratifying, Enriched & Exciting Financial Future”**



Area Companies



*Citibank, General Electric, Barclays Capital,
Credit Suisse, Mitsubishi, UFJ Securities,
Credit Agricole Securities, ING Capital, Terra
Gen Power, Hyundai Motor Car, Southern
California Edison, Rabo Securities, MUFG
Power & Utilities Group, Rabobank, Bank
of Montreal, Vestas Energy, Virgin Galactic,
StratoLaunch, Rocket Propulsion Corp,
EnXco, Flight Research Inc, Flight Test
Associates, Fire Star Technologies, Scaled
Composites, The Space Ship Co,
Xcor Aerospace, BAE Systems, National Test
Pilot School, Siemens, Google
& More!*

-For Information-

Silver Saddle Commercial Holding, LLC

LandBanking Plus+

THE GALILEO PROJECT

7635 S. San Fernando Rd.

Suite A -- Top Floor

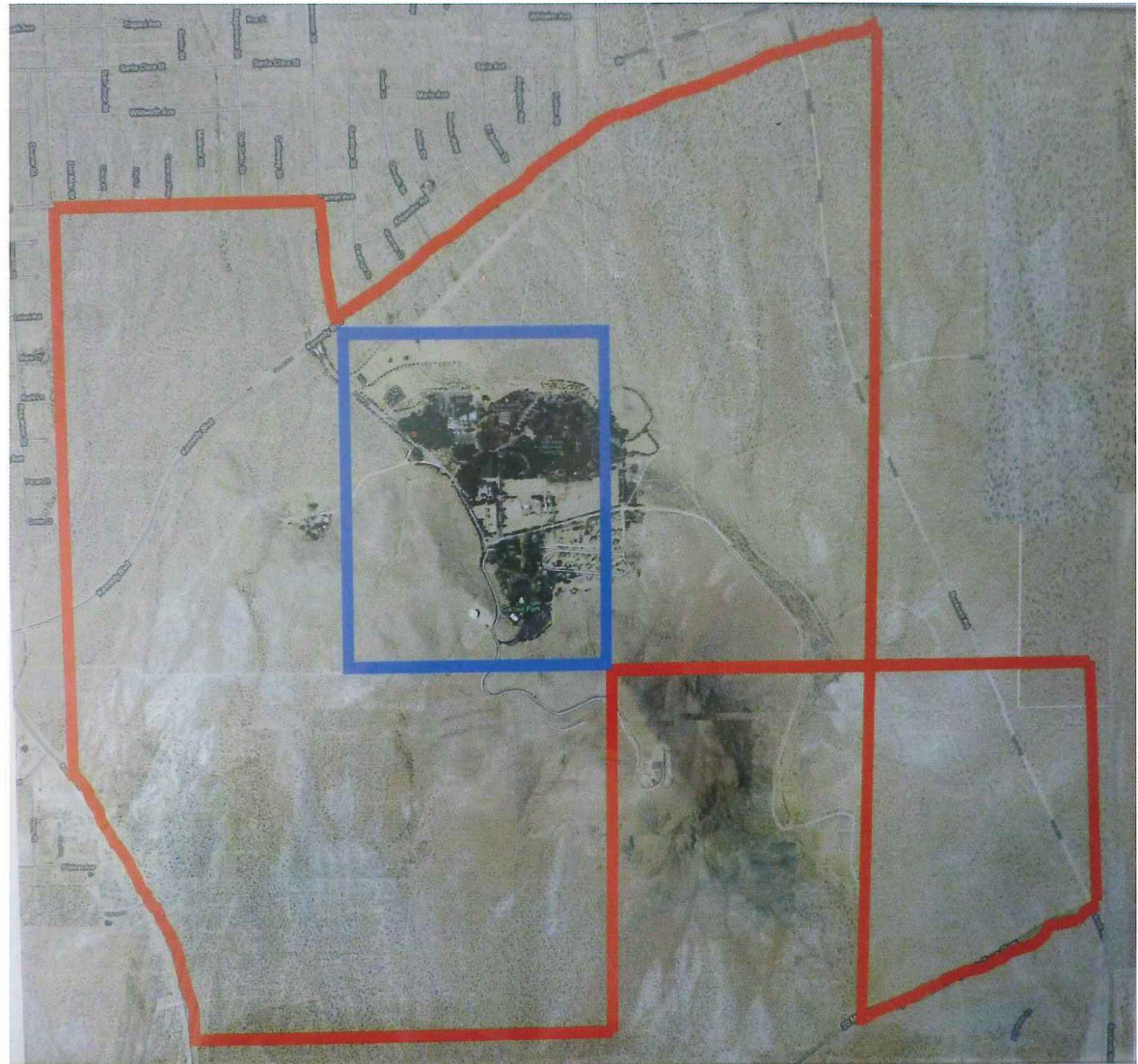
Burbank, California 91505

(818) 768-8808 • Fax (818) 768-8838

LandBanking *Plus+* allows the small investor access


The Galileo Project

- **1,020 acres** of Prime developable Property surrounding the Silver Saddle Resort
 - **Already serviced** by Paved Streets, Piped Water, Electricity, Telephone
 - **Surrounded by** thousands of individually Zoned Residential, Multiple Family & Estate Property as well as Homes & New Construction
- ✓ **Google satellite Image**



Plus+

The Galileo Project



1,020 Acres
Open Zoned

**Commercial or
Industrial Projects**

1
Board of
Director
**You're in
Charge**

2
Development
Account
\$8 Million

3
Resort
Ownership
Option
\$500K

Max of 4,000 interests... approx 1/4 acre equivalent

EXHIBIT 11



Maria Rosales <maria@ssrmail.net>

Fwd: Attention: Galileo Unit Owners

silver onlineadmin <ssrconlineadm@gmail.com>
To: mariar@ssrmail.net

Fri, Feb 8, 2019 at 9:23 AM

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

From: [REDACTED]@yahoo.com>
Date: Wed, Jan 16, 2019 at 8:38 AM
Subject: Re: Attention: Galileo Unit Owners
To: ssrconlineadm@gmail.com <ssrconlineadm@gmail.com>

Hi,
According to this letter you no longer require the owner to contribute to the improvement fund. Will this include my account?

Thank you,
[REDACTED]
Unit number 8-2133
acct # 524-102-082133

From: Silver Saddle Ranch & Club <ssrconlineadm@gmail.com>
To: [REDACTED]@yahoo.com
Sent: Friday, November 30, 2018 5:37 PM
Subject: Attention: Galileo Unit Owners

Attention: Galileo Unit Owners



Silver Saddle Ranch & Club, Inc.

7635 N. San Fernando Road
Top Floor - Suite A
Burbank, California 91505
(818) 768-8808 • Fax (818) 768-8838

**Silver Saddle Commercial Development, LP for
Galileo Commercial Property Owners Association, Inc. (GCPOA)**

c/o Silver Saddle Ranch & Club
7635 N. San Fernando Road, Suite A
Burbank, CA 91505
Phone (818) 768-8808
Fax (818) 768-8838

November 26, 2018
RE: Association Status Update —October 2018

Dear Unit Owner:

What a busy year so far - As of October 31st, all of the investors together, currently own over 47% of the 4,000 units of Galileo Commercial Property! Congratulations!!!!

New Board of Directors - Board positions need to be filled and are up for election. Who do you want to nominate, or perhaps you want to nominate yourself? Go for it!

We strongly encourage all unit owners to get involved with The Association. I have resigned as President of the GCPOA, the other Silver Saddle officers have also resigned. All GCPOA Board seats are currently vacant and need to be filled by non-Silver Saddle employees and officers.

Within the next couple of weeks, you will be receiving a detailed notice and schedule for the Annual Meeting, Nomination Information & Voting Timeline.

Supplemental Communication — Transparency is important, and you deserve it. Enclosed is a communication from SSCD to The Association Unit Owners and prospective investors. Our Professional team is active and in constant positive communication with the California Department of Business Oversight regarding the May 2018 Order.

Silver Saddle Commercial Development (SSCD) — This summer we re-structured some internal management and fine-tuned administration. Communications, tools and transparency have been vastly elevated; I believe you will appreciate the difference. I thank you for your past patience.

SSCD needs to turn over the administration of your Association to you, however until that occurs, we will continue to send you financial status updates, which leads to,.

Financial Update Oct. 2018 - Also enclosed with this letter, is a Snapshot of the GCPOA's current financial position, which reflects the past 3-months of activity (August thru October.)

Remember, keep an eye on your mailboxes and email-boxes for the Nomination and Annual Meeting Notice.

Sincerely,



Thomas M. Maney
President

Enclosures = 2

Supplemental Communication to GCPOA from SSCD Nov 2018

Supplemental Communication To: Galileo Commercial Property Owners Association (GCPOA) Nov. 2018
By: Silver Saddle Commercial Development, LP (SSCD)

Summary Overview:

In May of 2018, the California Department of Business Oversight (“DBO”) issued a Desist and Refrain Order and Order for Ancillary Relief against SSCD and others in which it alleged the \$2,000 contribution by each GCPOA Full Unit Owner to the Capital Improvement Fund (CIF), is sale of a security. Upon receipt of Order, SSCD filed an appropriate Response and requested an evidentiary hearing before an Administrative Judge. The evidentiary hearing is scheduled for early March of 2019; however, our legal counsel continues to have consistent communication with the DBO’s representative during this interim discovery and evaluation period.

Allegations contained within the DBO Order have created a perception that SSCD’s business is contrary to regulation. There are claims made in the Order which are inaccurate and unfairly damaging to our business reputation. SSCD is cooperating with the DBO during this evaluation period; however due to the nature of allegations and misleading statements, it is legally advisable that SSCD does not comment on specific allegations at this time. This is unfortunate as it has created some confusion. We **can** share with you that Silver Saddle strenuously refutes all allegations regarding any misrepresentation.

The DBO does not allege the sale of the Units by SSCD to the Owners violates any law, rule or regulation administered or enforced by the DBO. Instead, the DBO alleges the contribution of \$2,000 by each Owner to the CIF is a sale of a security. Therefore, to allow for the continued sale of the Units, SSCD has offered and informed the DBO that it will not require that each Unit Owner contribute to the CIF in connection with the purchase of the Unit, but that SSCD will continue to market Units without violation of any provision of the Order. To comply with the DBO Order, SSCD has been making contributions to the CIF independently of Unit Owners.

SSCD Senior Management is actively working at and dedicated to making any necessary adjustments or corrections, as well as initiating safeguards to ensure all entities are functioning with full integrity, so as to re-establish any lost customer confidence. Our focus is to ensure that we are in compliance with Federal, State and local laws. Accounting and Member Accounts Oversight are in process of being transferred from California City location to Corporate Headquarters in Burbank.

SSCD revised new sales contracts in June 2018 thereby paying the CIF fund the full obligation per sale at time of closing. Additionally, GCPOA By-Laws are being revised by legal counsel.

How is Silver Saddle responding to the DBO Order?

Silver Saddle has made a settlement offer to the DBO whereby neither Silver Saddle nor any of its agents or employees would exercise any control over the Galileo Commercial Property Owner’s Association (The Association”). This is why it is important for The Association to elect a New Board of Directors. The settlement proposed by Silver Saddle to the DBO would require the DBO to withdraw its claim for the ancillary relief of rescission of the Capital Improvement Funds. The hearing is presently scheduled to take place on March 4, 5 and 6, 2019. If the DBO does not accept Silver Saddle’s offer of settlement, Silver Saddle and its counsel will present its case to the DBO’s Administrative Law Judge.

May I purchase or contribute to the Capital Improvement Fund?

Pending a resolution with the DBO, and pursuant to the Order, Silver Saddle is no longer requiring purchasers to contribute to the Capital Improvement Fund. Instead, Silver Saddle is making the same level of contributions to the Capital Improvement Fund that the purchasers previously contributed. Silver Saddle has taken the obligation away from the buyer and the company now pays the \$2,000 CIF contribution to The Association.

SSCD is confident the Order will be set aside at the conclusion of this hearing if a resolution is not achieved before.

GCPOA Financial Snapshot 11-07-18

Cash - GCPOA Mission Bank Account xxxx9410 as of 11-06-18	\$200,115.32*
A/R Portfolio - Principal Balance at 10-31-18 \$2,216,190.95 (2)	
GCPOA Assets as of 11-06-18 \$2,416,306.27	
*3-month Cash Flow Activity (Aug, Sept & Oct):	
Beginning Cash Balance @ 7-31-18 Income 3,866.67	
Accounts Receivable (Principal & Interest Pmts) - Aug	14,107.67
Accounts receivable - (Principal & Interest Pmts) -Sept	60,294.51
Accounts Receivable - (Principal & Interest Pmts) -Oct	50,491.99
Capital Improvement Fund collected - Aug	24,952.92
Capital Improvement Fund collected - Sept	18,299.96
Capital Improvement Fund collected - Oct	28,146.60
Total Income Deposited to GCPOA Mission Bank Account Expenses: \$196,293.65	
Mission Bank Incoming Wire Fees 3x \$15 (Aug, Sept, Oct)	-45.00
Ending Cash Balance as of 11-06-18	
\$200,115.32	
GCPOA - Financial Snapshot as of Nov. 6, 2018 (Provided by Silver Saddle Commercial Development, LP (1))	
Association Expenses Paid by Silver Saddle Commercial, LP on behalf of GCPOA:	
Aug/Sept Equiant Fees-servicing of A/R portfolio	
1,981.27	
Franchise Tax Board 2017 Form 3586	829.00
Franchsie Tax Board 2018 Est Tax Form 100-ES	800.00
Corp Registration Filing Fee	39.00
Tax Preparer's Fee	350.00
Franchise Tax Board	73.89
Balance Owing to Silver Saddle Comm Dev as of 11-06-18	
\$4,073.16	
Silver Saddle Commercial, LP - Status Update of Undivided Interest Unit Shares Sold & Performing: Investor Units @ 7-31-18	
	1,817.50
Plus New Investors - August	31.50
Plus New Investors - September	25.75

10/14/2019

Silver Saddle Ranch Mail - Fwd: Attention: Galileo Unit Owners

Plus New Investors - October
Total Sold Performing Units as of 10-31-18

27.50
1,902.25

1,902.25/4,000 Units
(47.56% sold out)

Footnotes: (1) This financial overview report was prepared by staff of Silver Saddle Commercial Development, LP; not prepared by C.P.A. / GAAP guidelines.
(2) The A/R Portfolio consists of reinvested Capital Improvement Funds which generates RMR (recurring monthly revenue) for the GCPOA. This portfolio (coded 906), consists of Unit Purchase Notes currently owned by the GCPOA. The \$2,216,190.95 balance is the net balance of current performing notes and excludes any Notes which are in excess of 60 days late payment. Total balance of the portfolio is \$2,596,073.14.

Company Name | Website



Silver Saddle Ranch & Club | [7635 N. San Fernando Rd](#), Top Floor, Suite A, Burbank, CA 91505

Unsubscribe [\[redacted\]@yahoo.com](#)

[Update Profile](#) | [About our service provider](#)

Sent by [ssrconlineadm@gmail.com](#) in collaboration with



Try it free today

EXHIBIT 12

MEMORANDUM

To: Owners of Galileo Commercial Property Owners Association

From: Silver Saddle Ranch & Club, Inc.

January 28, 2019

RE: Pending Before the Department of Business Oversight (DBO) – Status update

Dear Investor/Owner,

On July 12, 2018 legal counsel, on behalf of Silver Saddle, GCPOA and Mr. Maney, responded to the DBO Commissioner. Since that time documents, reconciliations, etc. have been produced and evaluated. Additionally, Silver Saddle restructured the manner in which the Capital Improvement Fund (CIF) proceeds are collected and also presented re-structuring of the Board of Directors of the Association.

In December 2018, Silver Saddle/GCPOA along with Mr. Kenny Nguyen of the DBO, were conferencing in effort to bring all concerns to a resolution. Last week we were notified that Mr. Nguyen is no longer with the DBO and has been replaced. Our counsel is in communication with his replacement and assisting with bringing him up to date so that the concerns, orders and inquiries presented by the DBO can hopefully be brought to a swift resolution.

Following is original text from our counsel's correspondence to the DBO. We are sharing this with you, the investor/owner, in order to bring you peace of mind as well as transparency.

Silver Saddle is willing to enter an agreement to restructure the manner in which the Capital Improvement Fund proceeds are collected and to restructure the control and management of the Galileo Commercial Property Owner's Association, Inc. (the "Association") divesting Silver Saddle and its agents and employees of any control over the Association and vesting in the Association's owners the full and complete control over the Association and its business decisions.

Restructuring of Contribution

Presently, each purchaser of an interest is required to fund the Capital Improvement Fund with \$2,000.00. The \$2,000.00 contribution may be funded all in cash at closing or pursuant to a promissory note. In a majority of the cases, the purchaser of the Interest, even when the purchaser pays cash for the Interest purchased, chooses to finance the payment of the \$2,000.00 obligation to Capital Improvement Fund. On occasion, these individuals default on their obligation to fund the Capital Improvement Fund, thus depriving the Association of the full benefit of the anticipated \$2,000.00 contribution. In

these situations, it is up to the Association to take action to collect the balance after default. As of this date, the Association has not taken any action to collect on any notes due and owing to the Capital Improvement Fund.

Silver Saddle would propose that the obligation to make the Capital Improvement Fund contribution be combined with the payment of the purchase price of each Interest. If this is the case, each purchaser would have an obligation to SSCD to pay the purchase price which would include the \$2,000.00 Capital Improvement Fund contribution. Therefore, when an individual pays for an Interest in full, the \$2000.00 Capital Improvement Fund contribution would be immediately paid to the Association. When an Interest purchaser chooses to finance a portion of the purchase price of an Interest, Silver Saddle and specifically SSCD would agree that as the purchase price is collected, proportionate contributions would be made to the Association to fund the Capital Improvement Fund. Therefore, if an Interest purchaser made a cash payment at closing for a portion of the purchase price, and financed 75% of the balance, then at closing, the Association would receive \$500.00, and as the balance of the purchase price is paid, SSCD will make proportionate contributions to the Association. This would benefit the Association by relieving it of the administrative burden of collecting Capital Improvement Fund and would increase the collectability of the Capital Improvement Fund contributions.

Vesting Control of the Association in the Interest Owners

Presently, at the annual meeting [2017] of the Interest owners, SSCD, which owns approximately one-half of the Interests in the property, votes its Interest in connection with the election of the Board of Directors. In the past, SSCD has exercised those votes to elect two Interest owners as directors, and also to elect Mr. Maney, and other agents, employees or representatives of Silver Saddle as directors. As a result, Mr. Maney and other agents and affiliates of Silver Saddle are able to exercise control the Board, and in effect, make business decisions for the Association, subject to those duties imposed upon them by the Association by- laws, the covenants, and the laws of the State of California. Because the property is undeveloped, because the Association covenants require a majority of the Interest owners, to the exclusion of SSCD, to improve the property or to purchase other properties and because there is limited maintenance and upkeep, there is very little actual corporate action which is taken on an annual basis.

Mr. Maney is willing to resign as a member of the board, and it is anticipated that any other agent, employee or representative of Silver Saddle will likewise resign. The Association will then post notice of a special meeting of the members of the HOA. SSCD would then enter into a voting trust or irrevocable proxy, pursuant to which SSCD would exercise its votes to elect as members of the board those individuals who received the most votes at the last annual meeting of the Association, but who were not elected. In essence, those Interest owners who received the most votes at the last annual election will be elected to the Board of Directors of the Association. SSCD would likewise agree that at all future members' meetings at which there is an election of the directors, SSCD will exercise its votes to elect those Interest owners, to the exclusion of

SSCD or any agents, employees or representatives thereof, who received the most votes from other Interest owners. The intent is to ensure that the Interest owned by SSCD may be used to establish a quorum at meetings of the members so that action may be taken, but to ensure that SSCD votes its Interest in a manner consistent with the vote of other non-affiliated Interest owners.

It is anticipated that the restructured Board would then be in a position to allow administrative agencies such as DBO to review its corporate and financial records to insure compliance by Silver Saddle with the terms and conditions of this proposal.

Futures Investments by the Association in Notes

The Covenants, Conditions and Restrictions specifically anticipate that the Capital Improvement Fund may only be used for the improvement of the property or to purchase other properties. Such an expenditure may only be approved by a majority of the Interest owners, to the exclusion of SSCD. As a result, under no circumstance should SSCD or Silver Saddle, irrespective of their positions on the Board, be able to expend the Capital Improvement Fund for any purposes. However, until such time as an expenditure is properly approved, the Association is authorized to invest the Capital Improvement Fund proceeds to underwrite the purchase of promissory notes given by purchasers of the Interests. This investment does not require the approval of 51% owners and therefore, the decision to purchase notes has been exercised by the Board of the Association. As Mr. Maney will be resigning from the Board and governance and control will be assumed by the Interest owners, all future decisions to invest any portion of the Capital Improvement Fund to purchase notes will be made to the exclusion of Mr. Maney or any agent, employee or representative of Silver Saddle. It is anticipated that the restructured Board would then be in a position to allow administrative agencies such as DBO to review its financial records, to insure compliance by Silver Saddle with the terms and conditions of this proposal.

This memorandum will be made available to attendees of the GCPOA Annual Meeting, February 1, 2019 being held at Silver Saddle Ranch & Club, 20751 Aristotle Drive., California City, CA 93505. Additionally, it will be made for distribution to owner/investors who are not in attendance at the meeting as well as Silver Saddle representatives.

I hope this assists with any questions or concerns you may have and encourages you to become actively involved with your Association.

Kind Regards,

Thomas Maney

EXHIBIT 13

10/14/2019

Silver Saddle Ranch Mail - Resignation letters



Maria Rosales <maria@ssrmail.net>

Resignation letters

3 messages

Marisol Ricacho <marisol@ssrmail.net>
To: Maria Rosales <maria@ssrmail.net>

Thu, Jan 31, 2019 at 9:29 AM

Hi Maria,

Here are the 2 different versions of the resignation letter. As instructed, please see below. Thank you.



Silver Saddle Ranch & Club, Inc.

7635 N. San Fernando Road
Top Floor - Suite A
Burbank, California 91505
(818) 768-8808 • Fax (818) 768-8838

November 26, 2018

To the GCPOA Board of Directors and Unit Owners:

This letter is meant to serve as an official notice of my resignation from my position on the GCPOA Board of Directors, effective immediately.

While serving as a member of the Board, I have seen much growth in the company and I am truly satisfied with the progress we have made.

I look forward to hearing of the continued success of the Galileo Commercial Project Owner's Association.

Sincerely,

Tom Maney
President of Silver Saddle Ranch

Dear Board [or Dear Fellow Directors]:

Please accept my resignation from the Board of Directors and as an officer of the Board [if an office is held].

My resignation takes effect immediately or upon the appointment of my successor. [if the resigning director wants to participate in the selection of his/her successor, the resignation should take effect "upon the appointment of my successor"]

signature: _____

Marisol Ricacho

Project Coordinator/Lead Collections Specialist

Silver Saddle Ranch & Club, Inc.

7635 N. San Fernando Rd., Top Floor, Suite A

Burbank, CA 91505

Phone: (818) 768-8806

10/14/2019

Silver Saddle Ranch Mail - Resignation letters

Fax: (818) 768-8838

Maria Rosales <maria@ssrmail.net>
To: Tom Maney <tmaney831@gmail.com>

Thu, Jan 31, 2019 at 9:30 AM



Silver Saddle Ranch & Club, Inc.

7635 N. San Fernando Road
Top Floor - Suite A
Burbank, California 91505
(818) 768-8808 • Fax (818) 768-8838

November 26, 2018

To the GCPOA Board of Directors and Unit Owners:

This letter is meant to serve as an official notice of my resignation from my position on the GCPOA Board of Directors, effective immediately.

While serving as a member of the Board, I have seen much growth in the company and I am truly satisfied with the progress we have made.

I look forward to hearing of the continued success of the Galileo Commercial Project Owner's Association.

Sincerely,

Tom Maney
President of Silver Saddle Ranch

Dear Board [or Dear Fellow Directors]:

Please accept my resignation from the Board of Directors and as an officer of the Board [if an office is held].

My resignation takes effect immediately or upon the appointment of my successor. [If the resigning director wants to participate in the selection of his/her successor, the resignation should take effect "upon the appointment of my successor"]

signature: _____

Marisol Ricacho <marisol@ssrmail.net>
To: Maria Rosales <maria@ssrmail.net>

Thu, Jan 31, 2019 at 9:37 AM

[Quoted text hidden]

EXHIBIT 14

GCPOA Annual Meeting and Board Member Nominations

Friday, February 1, 2019

Location: Silver Saddle Ranch & Club
California City, CA

Start Time: 11:00 a.m.

Agenda Topics

- Nominations/Elections
- Last year's Board Member Voting results
- Resignation of SSR from GCPOA Board of Directors
- Current GCPOA Assets
- Ranch Resort Improvements & Capital Expenditures
- GCPOA website (independent from Silver Saddle)

Review

- **Nominations/Elections:** As a Board Member you can help shape the future of the Association. You will act in the Association's interest through voting on issues that come before the board. If you are interested in being on the Board or being on the Development Committee, please complete the Nomination Form, explaining why you are interested in being on the board as well as some background information about yourself and how it will assist you as a board member, and mail to the Association Office or fax it to 818-768-8838. We are not responsible for lost mail, and recommend you checking with the Association Office to ensure your Questionnaire was received. You may either mail or fax the Nomination form back. We need all the forms back by **Monday, February 11th**, for you to be included on the Ballot.

In order to facilitate a smooth voting process, a proxy form is available. A proxy allows the Association to reach a quorum, the minimum number of owners voting for the election to be legal. The proxy form assigns your voting rights to the current board, another unit owner or a person you designate. Please fill out and send in your proxy now to ensure we get enough votes. You can still vote when the ballot comes out and your vote will take precedence over the Proxy. This just helps in case you get busy and your ballot is not received by the Association in time.

- **Last year's Board Member Voting results:** Referring to last year's Ballot Tally, there were a total of 295 votes that came in. Sean Xianjin Li had the most votes with 93 votes, followed by Mathy Fredeluces with 75 votes. However, the voting result did not meet the quorum. We needed a quorum of 372 votes. We received 295 votes from 162 unit owners. We are short of 77 votes.
- **Resignation of SSR from GCPOA Board of Directors:** Refer to the formal SSR Board Member Resignations notices. All Silver Saddle employees will be removed as members of the Board of Directors of the Association. This means that Silver Saddle will no longer participate in the business of the Association. The Association's owners will have full and complete control over the Association and its business decisions. Regardless of the resolution with DBO, Tom Maney and Kelly Maney have elected to resign. With almost 50% participation now, the Association needs to become more active.
- **Current GCPOA Assets:** Refer to the monthly Financial Snapshots
- **Ranch Resort Improvements & Capital Expenditures:** Refer to the Ranch Resort Improvement/Capital Expenditures Binder. 3 of these binders are available onsite to be passed around.
- **GCPOA website:** A plan is in the works for building a GCPOA website that is independent from Silver Saddle's. The site can have an access portal for current investors only, which will enable them to access the monthly financial snapshots.

Action Items

All LBP members are encouraged to help by suggesting ideas of their own to the next meeting.

Reminders: Committee Meetings are held quarterly. The Chairman and the Secretary of the Committee will notify you with date, time, and location for the next meeting.

Ending Time: 12:30 p.m.

In attendance representing SSR:

Tom Maney, *CEO and Owner*

Maria Rosales, *Executive Vice President*

Debbie Nicastro, *Director of Operations*

Jeff McAree, *Sales Director*

SSR staff on-site:

Marisol Ricacho (Available as Filipino translator)

Cathy Qi (Available as Chinese translator)

Cecilia Henriquez (Available as Spanish translator)

EXHIBIT 15

FRANCISCO BRAVO	As of 3/12/19	DLQ	As of 3/18/19	DLQ	As of 3/19/19	DLQ	As of 3/22/19	DLQ	As of 3/25/19	DLQ	As of 3/26/19	DLQ	As of 4/1/19	DLQ	As of 4/2/19	DLQ	TOTAL VOTES	TOTAL DLQ VOTES	TOTAL QUAL. VOTES
PRESIDENT	13	1	6	1	5	1	4	0	13	5	2	0	6	1	0	0	49	9	40
TREASURER	5		4		1		2		2		0		1		0		15	0	15
SECRETARY	12	3	15	3	2		2		8	3	2		2	1	0	0	43	10	33

ANTONIO GARCIA	As of 3/12/19	DLQ	As of 3/18/19	DLQ	As of 3/19/19	DLQ	As of 3/22/19	DLQ	As of 3/25/19	DLQ	As of 3/26/19	DLQ	As of 4/1/19	DLQ	As of 4/2/19	DLQ	TOTAL	TOTAL DLQ VOTES	TOTAL QUAL. VOTES
PRESIDENT	15	1	13		2	1	2		6		3		9		0		50	2	48
TREASURER	13		22	2	4		0		7	1	5	1	9	3	1		61	7	54
SECRETARY	16	2	13	3	3	1	1		8		2		3	1	2		48	7	41

REBECCA MONTANO	As of 3/12/19	DLQ	As of 3/18/19	DLQ	As of 3/19/19	DLQ	As of 3/22/19	DLQ	As of 3/25/19	DLQ	As of 3/26/19	DLQ	As of 4/1/19	DLQ	As of 4/2/19	DLQ	TOTAL	TOTAL DLQ VOTES	TOTAL QUAL. VOTES
PRESIDENT	4	1	16	1	4		0		4	1	5	2	5	4	3		41	9	32
TREASURER	34	5	31	7	10	1	2		10	3	4		12	3	1		104	19	85
SECRETARY	25		16	2	1	1	1		12	1	2		8		0		65	4	61

CARLOS NOVELO	As of 3/12/19	DLQ	As of 3/18/19	DLQ	As of 3/19/19	DLQ	As of 3/22/19	DLQ	As of 3/25/19	DLQ	As of 3/26/19	DLQ	As of 4/1/19	DLQ	As of 4/2/19	DLQ	TOTAL	TOTAL DLQ VOTES	TOTAL QUAL. VOTES
PRESIDENT	29	3	24	8	6		4		10		4		10	1	1		88	12	76
TREASURER	14	1	7	1	0		0		4		2		2		0		29	2	27
SECRETARY	9	1	18		5	1	1		14	2	3	2	10	4	2		62	10	52

TOTAL NUMBER OF VOTERS: 277

TOTAL DELINQUENT (DLQ) ACCOUNTS: 41 (31 DAYS & ABOVE)

EXHIBIT 16

**RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:**

GALILEO COMMERCIAL PROPERTY OWNERS ASSOCIATION, INC.
7635 N San Fernando Rd., Suite A
Burbank California 91505

**ASSIGNMENT OF DEEDS OF TRUST
(Undivided Interests in The Galileo Commercial & Industrial Development)**

Dated: May 10, 2018

THIS ASSIGNMENT OF DEEDS OF TRUST (the "**Assignment**") is executed and delivered as of the date first written above by **SILVER SADDLE COMMERCIAL DEVELOPMENT, LP**, a California limited partnership having its principal place of business at 7635 N. San Fernando Rd., Suite A, Burbank California 91505 ("**Assignor**"), in favor of **GALILEO COMMERCIAL PROPERTY OWNERS ASSOCIATION, INC.** a California non-profit corporation with its principal place of business 7635 N. San Fernando Rd., Suite A, Burbank California 91505 (together with its transferees, successors and assigns, "**Assignee**") and is in furtherance of the terms and conditions of that certain Mortgage Loan Purchase Agreement (the "**Agreement**") dated as of May 10, 2018 by and between Assignor and Assignee, as amended, the terms, conditions, warranties and representations of which are incorporated herein by this reference.

FOR VALUE RECEIVED, and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor does hereby grant, bargain, sell, assign, convey, transfer, set over and deliver with recourse as set forth in the Agreement unto Assignee all of Assignor's rights, title and interest of every nature, inclusive of legal, equitable and beneficial interests, with recourse, in and to those certain deeds of trust dated, recorded and more particularly described in **Exhibit A** attached hereto and incorporated herein by this reference (the "**Assigned Deeds of Trust**"), which shall include all references therein to that certain Declaration of Covenants, Conditions and Restrictions for The Galileo Commercial & Industrial Development, recorded on November 8, 2011 as Document Number 211147545 in the Public Records of Kern County, California, as amended, modified, restated and supplemented from time to time, affecting the property described in **Exhibit B** attached hereto in Kern County, California, and all right, title and interest of Assignor in, and all right title and interest in and to the promissory note or notes described in said Assigned Deeds of Trust (the "**Mortgage Loans**"), sales documents relating to such Assigned Deeds of Trust and Mortgage Loans, whether or not referenced in **Exhibit A**, and all monies, proceeds and awards including, without limitation, interest, due and to become due thereon or with respect thereto.

TOGETHER WITH any and all sums, including interest, due or to become due thereunder, and all rights accrued or to accrue under such Assigned Deeds of Trust and

Mortgage Loans. It is understood that this conveyance represents a true sale of the Mortgage Loans and Assigned Deeds of Trust referenced herein and does not constitute a conveyance for security purposes. It is further understood and agreed that notwithstanding the foregoing or anything otherwise to the contrary, the assignment by Assignor to Assignee hereunder shall not constitute an assumption by Assignee, and Assignee does not hereby assume, any of Assignor's obligations or responsibilities under the sales documents or Mortgage Loans, or otherwise. It is further understood that upon recourse being honored, Assignee shall reassign specified Assigned Deeds of Trust to Assignor. This Assignment of Assigned Deeds of Trust shall inure to the benefit of the Assignee, its legal representatives, assignees, transferees, successors and assigns.


[Signatures appear on Following Page]

IN WITNESS WHEREOF, Assignor has caused this Assignment to be duly executed on the date first above written.

ASSIGNOR:

**SILVER SADDLE
COMMERCIAL DEVELOPMENT, LP,**
a California limited partnership

By: SSCD MANAGEMENT, LLC,
a Texas limited liability company,
its General Partner

By: 
Thomas M. Maney, Manager

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss:
COUNTY OF Los Angeles)

On February 6, 2019, ~~20~~ before me, Shelley Jeanette Hernandez, Notary Public, personally appeared Thomas M. Maney, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) ~~is/are~~ subscribed to the within instrument and acknowledged to me that ~~he/she/they~~ executed the same in ~~his/her/their~~ authorized capacity(ies), and that by ~~his/her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: Shelley Jeanette Hernandez

[Seal]



Exhibit A
to
Assignment of UDI Deeds of Trust

Assigned Deeds of Trust

The following described deeds of trust recorded in respect to the following described Undivided Interests within that certain property known as The Galileo Commercial & Industrial Development, more particularly described in that certain Declaration of Covenants, Conditions and Restrictions for The Galileo Commercial & Industrial Development, recorded on November 8, 2011 as Document Number 211147545 in the Public Records of Kern County, California, as amended, modified, restated and supplemented from time to time:

<u>Account ID</u>	<u>Obligor Name</u>	<u>Undivided Interest</u>	<u>Deed of Trust Date</u>	<u>Recording Data</u>	<u>Recording Date</u>
524102080011		\$805.89	05/07/11	0211147542	11/08/11
524102080016		\$1,546.29	08/27/11	0211151591	11/17/11
524102080025		\$1,971.11	10/08/11	0211166765	12/19/11
524102080032		\$283.64	10/16/11	0211166116	12/16/11
524102080039		\$1,658.42	01/21/12	0212014933	02/03/12
524102080051		\$4,098.38	01/28/12	0213031646	03/06/13
524102080055		\$2,168.85	02/04/12	0212055667	04/26/12
524102080056		\$2,002.27	02/04/12	0212048815	04/12/12
524102080062		\$2,171.30	02/11/12	0212042164	03/30/12
524102080097		\$2,667.51	03/03/12	0212032115	03/09/12
524102080100		\$2,502.49	03/04/12	0212089342	07/02/12
524102080120		\$3,866.59	03/24/12	0212042154	03/30/12
524102080152		\$5,888.01	04/22/12	0212092211	07/09/12
524102080154		\$3,760.09	04/22/12	000213001469	01/04/13
524102080235		\$4,936.40	07/08/12	0212131774	09/18/12

<u>Account ID</u>	<u>Obligor Name</u>	<u>Undivided Interest</u>	<u>Deed of Trust Date</u>	<u>Recording Data</u>	<u>Recording Date</u>
524102080237		\$4,937.06	07/08/12	0212145330	10/12/12
524102080337		\$12,048.43	09/29/12	0215155070	11/05/15
524102080550		\$8,798.25	04/13/13	0215038425	04/02/15
524102080565		\$10,306.17	04/28/13	0213124464	08/27/13
524102080606		\$10,189.43	06/16/13	0213093609	07/03/13
524102080663		\$7,479.36	08/03/13	0213116294	08/15/13
524102080666		\$8,047.37	08/04/13	0213112553	08/08/13
524102080667		\$10,556.01	08/04/13	0213149929	10/15/13
524102080671		\$10,370.54	08/04/13	0213113097	08/09/13
524102080685		\$1,577.30	08/18/13	0213133153	09/10/13
524102080686		\$7,575.96	08/18/13	0213128029	08/30/13
524102080705		\$10,728.80	09/14/13	0213144715	10/03/13
524102080709		\$10,820.56	09/15/13	0214009826	01/28/14
524102080718		\$10,526.51	09/28/13	0213156464	10/24/13
524102080787		\$10,712.36	11/10/13	0213169520	11/21/13
524102080829		\$10,998.31	12/15/13	0213182065	12/19/13
524102080845		\$11,006.06	03/16/14	0214031124	03/20/14
524102080887		\$6,702.58	04/26/14	0214049013	05/01/14
524102080901		\$11,275.03	05/04/14	0214066813	06/12/14
524102080933		\$11,310.38	05/31/14	0214064427	06/06/14
524102080938		\$11,375.80	04/01/14	0214076561	07/03/14
524102080970		\$7,381.79	06/14/14	0214070110	06/19/14
524102080976		\$11,287.12	06/15/14	0214073206	06/26/14

<u>Account ID</u>	<u>Obligor Name</u>	<u>Undivided Interest</u>	<u>Deed of Trust Date</u>	<u>Recording Data</u>	<u>Recording Date</u>
524102080985		\$11,767.75	06/21/14	0214150179	12/04/14
524102080993		\$11,362.69	06/22/14	0214073218	06/26/14
524102081017		\$11,474.12	07/05/14	0214092790	08/07/14
524102081020		\$11,871.68	07/05/14	0214078884	07/10/14
524102081101		\$12,623.35	08/10/14	0214099270	08/15/14
524102081222		\$12,980.72	09/27/14	0214121582	10/02/14
524102081227		\$12,040.92	09/28/14	0214134876	10/30/14
524102081486		\$12,635.74	02/08/15	0215016518	02/12/15
524102081976		\$15,362.82	10/04/15	0215155090	11/05/15
524102082020		\$5,047.69	11/25/12	0213008332	01/18/13
524102082075		\$5,631.52	07/14/13	0214037519	04/03/14
524102082094		\$5,553.82	09/21/13	0213144706	10/03/13
524102082095		\$5,296.20	09/28/13	0213144708	10/03/13
524102082108		\$5,754.56	02/23/14	0214026010	03/07/14
524102082135		\$6,671.66	07/13/14	0214124444	10/09/14
524102082235		\$9,018.08	03/08/15	0215034488	03/26/15
524102082251		\$9,400.24	03/29/15	0215071408	06/04/15
524102082268		\$9,320.48	05/03/15	0215057152	05/07/15
524102082296		\$9,583.47	06/20/15	0215082795	06/25/15
524102082340		\$9,436.88	08/09/15	0215110917	08/13/15
524102082410		\$8,404.76	01/30/16	0216014545	02/04/16

<u>Account ID</u>	<u>Obligor Name</u>	<u>Undivided Interest</u>	<u>Deed of Trust Date</u>	<u>Recording Data</u>	<u>Recording Date</u>
524102083051		\$3,100.63	10/24/13	0213156462	10/24/13
524102083054		\$3,126.77	03/08/14	0214070104	06/19/14
524102083075		\$3,151.66	06/22/14	0214073222	06/26/14
524102083083		\$3,200.01	07/26/14	0214108089	09/05/14
524102083086		\$3,297.00	08/10/14	0214117348	09/25/14
524102083097		\$3,689.04	10/19/14	0214138161	11/06/14
524102083247		\$7,958.60	07/10/16	0216092170	07/13/16
524102084006		\$15,049.34	10/18/15	0215148416	10/22/15

Exhibit B
to
Assignment of UDI Deeds of Trust

Legal Description of Property

Parcel 1: APN 457-020-05-00-1 & 457-020-13-00-4

All of Section 24, Township 31 south, Range 39 east, Mount Diablo Meridian, in the County of Kern, State of California, according to the official plat thereof.

Except a parcel of land in the southwest quarter of said Section 24, being approximately 10,000 square feet located around the well site, said well site being 1874 feet north and 785 feet east of the southwest corner of said Section 24.

Also except a parcel of land located in the south half of said Section 24, being approximately 10,000 square feet located around the well site said well site being north 89°55'55" west, 2,995.55 feet; and north 81.70 feet of the southeast corner of said Section 24, as conveyed to Boron Valley Water Development Company in deed recorded July 27, 1960 in Book 3288 Page 62 of Official Records.

Also except that portion lying within the east half of said section.

Also except that portion of said land lying with Tract No. 3282 per map recorded June 5, 1970 in Book 19 Page 47 of Maps, in the office of the County Recorder of said county.

Also except therefrom that portion of the southwest quarter of said Section 24, as conveyed to California City Community Services District by deed recorded May 13, 1966 in Book 3947 Page 271 of Official Records, described as follows:

Beginning at point "A" as described in Parcel No. 1 of the deed to California City Community Services District, recorded May 13, 1966 in Book 3947 Page 271 of Official Records, thence south 81°18'40" west 30.00 feet; thence north 8°41'20" west 105.78 feet to the true point of beginning; thence north 8°41'20" west 65.97 feet to the beginning of a tangent curve concave southerly and having a radius of 54.00 feet; thence northerly, westerly and southwesterly along said curve through a central angle of 128°50'30" a distance of 121.43 feet; thence tangent to said curve, south 42°28'10" west 58.00 feet; thence south 47°31'50" east 92.00 feet; thence north 81°18'40" east 75.34, more or less, to the true point of beginning.

Also except all uranium, thorium or any other material which is or may be determined to be peculiarly essential to the production of fissionable materials, whether or not of commercial value, together with the right of the United States through its authorized agents or representatives at any time to enter upon the land and prospect for, mine and remove the same as reserved in patent from United States of America, pursuant to Act of August 1, 1946 (60 Stat. 755) recorded February 8, 1957 in Book 2730 Page 547 of Official Records.

Also except all oil, gas, oil shale, coal, phosphate, sodium, gold, silver and all other mineral deposits contained in said lands (except all uranium, thorium or any other material which is or may be determined to be peculiarly essential to the production of fissionable materials, whether or not of commercial value), and further reserving to State of California and persons authorized by the state, the right to drill for and extract such deposits or other minerals from said lands except all uranium, thorium, or other material which is or may be determined to be peculiarly essential to the production of fissionable material whether or not of commercial value) and to occupy and use so much of the surface of said lands as may be required therefor, upon compliance with the conditions and subject to the provisions and limitations of Chapter 5, Part 1 Division 6 of The Public Resources Code, as reserved in the patent from the State of California recorded September 17, 1956 in Book 2663 Page 489 of Official Records.

Also except all alumina, silica, fossils of all geological, ages, metal sand their compound, alkali, alkali earth, sand, clay, gravel, salts and mineral waters, together with the right of the State of California, to prospect for and remove such deposits and occupy the surface of said land for such purposes as provided in Section 6403 of Public Resources Code, effective October 19, 1947.

The State's rights to enter said land to a depth of 500 feet below the surface of said land has been quitclaimed by agreement recorded January 30, 1981, in Book 5348 Page 1917 of Official Records.

Parcel 2: APN 457-020-14-00-7, 457-020-16-00-3 & 457-020-25-00-9

All of Section 23 in Township 31 south, Range 39 east, Mount Diablo Meridian, in the County of Kern, State of California, according to the official plat thereof.

Except that portion lying within Tract No. 3281 as per map recorded in Book 19, Pages 1 to 20 inclusive of Maps, in the office of the County Recorder of said county.

Also except that portion of said land lying within Tract 3282 as per map recorded in Book 19 Pages 47 to 58, inclusive of Maps, in the office of the County Recorder of said county.

Also except therefrom the southeast quarter of said section.

Also except that portion of said land granted to James A. Riley and Barbara J. Riley, husband and wife, by deed recorded June 3, 1971 in Book 4532 Page 580 of Official Records, more particularly described as follows:

Beginning at the westerly terminus of that certain course described as having a bearing and length of south 78°06'34" west 1223.50 feet in the centerline of the 60 foot strip of land described Second in Parcel 1 of deed to California City Community Services District recorded as Document No. 26674 on May 13, 1966 in Book 3947 Page 271 of Official Records, in the Office of the County Recorder of Kern County, State of California, said westerly terminus being the beginning of a curve concave southeasterly, tangent to said certain course and having a radius of 125 feet; thence southwesterly along said curve through a central angle of 17°52'40", a distance of 39.00 feet; thence normal to said curve north 29°46'06" west 604.72 feet to the beginning of a tangent curve concave southwesterly having a radius of 400 feet; thence northwesterly along said curve through a central angle of 22°48'28" a distance of 159.23 feet; thence tangent to said curve north 52°34'34" west 360.00 feet; thence south 37°25'26" west 100.46 feet to the beginning of a tangent curve concave northwesterly having a radius of 300 feet; thence southwesterly along said curve through a central angle of 39°26'28" a distance of 206.51 feet; thence tangent to said curve south 76°51'54" west 334.35 feet to the beginning of a tangent curve concave southeasterly having a radius of 350 feet; thence southwesterly along said curve through a central angle of 17°58'01" a distance of 109.75 feet; thence tangent to said curve south 58°53'53" west 105.38 feet to the beginning of a tangent curve concave northwesterly having a radius of 300 feet; thence southwesterly along said curve through a central angle of 31°06'07" a distance of 162.85 feet; thence south 83°48'38" west 50.00 feet to the true point of beginning; thence continuing south 83°48'38" west 500.15 feet; thence south 14°28'01" west 272.45 feet; thence south 62°14'15" east 229.44 feet; thence east 400.00 feet; thence north 381.45 feet to a point in a non-tangent curve concave northeasterly having a radius of 50.00 feet; and passing through the true point of beginning, a radial line of said curve to said point bears south 13°51'08" west; thence northwesterly along said curve through a central angle of 69°57'30" a distance of 61.05 feet to the true point of beginning.

Also except 1/4th of all oil, gas and other minerals but without the right to enter any portion of said land lying above 500 feet below the surface, was quitclaimed to California City Development Company, recorded August 26, 1959 in Book 3183 Page 296 of Official Records.

Also except an undivided 1/2 interest in and to all oil, gas minerals and mineral rights within or underlying that portion of said land lying within the northwest quarter of said section, but without the right to enter any portion of said land lying above 500 feet below the surface thereof, as conveyed by deed dated March 20, 1970 from Great Western Cities Company, a California Corporation, recorded March 23, 1970 in Book 4380 Page 568 of Official Records.

Also except an undivided 1/2 interest of all oil, gas, petroleum, hydrocarbon substances within or underlying or that may be produced or saved from that portion of said land lying within the northeast quarter of said section, but without the right to enter any portion of said land lying above a depth of 500 feet below the surface thereof as conveyed by deed dated April 29, 1970 from Great Western Cities, Inc., a California Corporation to California City Development Company, a corporation, recorded April 29, 1970 in Book 4392 Page 916 of Official Records.

BILL OF SALE

FIRST CLOSING: DATED MAY 10, 2018

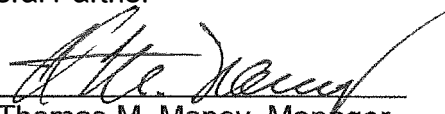
KNOW ALL MEN BY THESE PRESENTS:

That **SILVER SADDLE COMMERCIAL DEVELOPMENT, LP**, a California limited partnership (the "**SELLER**"), for and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration paid by **GALILEO COMMERCIAL PROPERTY OWNERS ASSOCIATION, INC.** a California non-profit corporation, with its principal place of business at 7635 N. San Fernando Rd. Suite A, Burbank, CA 91505 ("**PURCHASER**") has, subject in all respects to the terms and provisions of that certain Mortgage Loan Purchase Agreement May 10, 2018, by and between Seller and Purchaser (as amended, the "**AGREEMENT**"), including, without limitation, Seller's repurchase obligations in accordance with **Section 4.1(b)** of the Agreement, and in the manner set forth in the Agreement, bargained, transferred and sold, and by these presents does bargain, transfer, sell and convey to Purchaser, its successors and assigns, all right, title and interest, legal or equitable, in and to all of the Receivables (as such term is defined in the Agreement) described on **Schedule A** attached hereto and incorporated herein by this reference (the "**PURCHASED RECEIVABLES**").

SELLER:

**SILVER SADDLE
COMMERCIAL DEVELOPMENT, LP,**
a California Limited partnership

By: SSCD MANAGEMENT, LLC,
a Texas limited liability company,
its General Partner

By: 
Thomas M. Maney, Manager

Schedule A to Bill of Sale

Purchased Receivables

[See Attached List of Purchased Receivables]

PURCHASED RECEIVABLES
Schedule A

Account ID	Prior Loan ID	Deed of Trust Date	Recording Data #	Recording Date	Name	Balance as of 05/10/18
524102080011	8-0011	05/07/11	0211147542	11/08/11		\$805.89
524102080016	8-0016	08/27/11	0211151591	11/17/11		\$1,546.29
524102080025	8-0025	10/08/11	0211166765	12/19/11		\$1,971.11
524102080032	8-0032	10/16/11	0211166116	12/16/11		\$283.64
524102080039	8-0039	01/21/12	0212014933	02/03/12		\$1,658.42
524102080051	8-0051	01/28/12	0213031646	03/06/13		\$4,098.38
524102080055	8-0055	02/04/12	0212055667	04/26/12		\$2,168.85
524102080056	8-0056	02/04/12	0212048815	04/12/12		\$2,002.27
524102080062	8-0062	02/11/12	0212042164	03/30/12		\$2,171.30
524102080097	8-0097	03/03/12	0212032115	03/09/12		\$2,667.51
524102080100	8-0100	03/04/12	0212089342	07/02/12		\$2,502.49
524102080120	8-0120	03/24/12	0212042154	03/30/12		\$3,866.59
524102080152	8-0152	04/22/12	0212092211	07/09/12		\$5,888.01
524102080154	8-0154	04/22/12	000213001469	01/04/13		\$3,760.09
524102080235	8-0235	07/08/12	0212131774	09/18/12		\$4,936.40
524102080237	8-0237	07/08/12	0212145330	10/12/12		\$4,937.06
524102080337	8-0337	09/29/12	0215155070	11/05/15		\$12,048.43
524102080550	8-0550	04/13/13	0215038425	04/02/15		\$8,798.25
524102080565	8-0565	04/28/13	0213124464	08/27/13		\$10,306.17
524102080606	8-0606	06/16/13	0213093609	07/03/13		\$10,189.43
524102080663	8-0663	08/03/13	0213116294	08/15/13		\$7,479.36
524102080666	8-0666	08/04/13	0213112553	08/08/13		\$8,047.37
524102080667	8-0667	08/04/13	0213149929	10/15/13		\$10,556.01
524102080671	8-0671	08/04/13	0213113097	08/09/13		\$10,370.54
524102080685	8-0685	08/18/13	0213133153	09/10/13		\$1,577.30
524102080686	8-0686	08/18/13	0213128029	08/30/13		\$7,575.96
524102080705	8-0705	09/14/13	0213144715	10/03/13		\$10,728.80
524102080709	8-0709	09/15/13	0214009826	01/28/14		\$10,820.56
524102080718	8-0718	09/28/13	0213156464	10/24/13		\$10,526.51
524102080787	8-0787	11/10/13	0213169520	11/21/13		\$10,712.36
524102080829	8-0829	12/15/13	0213182065	12/19/13		\$10,998.31

PURCHASED RECEIVABLES

Schedule A

Account ID	Prior Loan ID	Deed of Trust Date	Recording Data #	Recording Date	Name	Balance as of 05/10/18
524102080845	8-0845	03/16/14	0214031124	03/20/14		\$11,006.06
524102080887	8-0887	04/26/14	0214049013	05/01/14		\$6,702.58
524102080901	8-0901	05/04/14	0214066813	06/12/14		\$11,275.03
524102080933	8-0933	05/31/14	0214064427	06/06/14		\$11,310.38
524102080938	8-0938	04/01/14	0214076561	07/03/14		\$11,375.80
524102080970	8-0970	06/14/14	0214070110	06/19/14		\$7,381.79
524102080976	8-0976	06/15/14	0214073206	06/26/14		\$11,287.12
524102080985	8-0985	06/21/14	0214150179	12/04/14		\$11,767.75
524102080993	8-0993	06/22/14	0214073218	06/26/14		\$11,362.69
524102081017	8-1017	07/05/14	0214092790	08/07/14		\$11,474.12
524102081020	8-1020	07/05/14	0214078884	07/10/14		\$11,871.68
524102081101	8-1101	08/10/14	0214099270	08/15/14		\$12,623.35
524102081222	8-1222	09/27/14	0214121582	10/02/14		\$12,980.72
524102081227	8-1227	09/28/14	0214134876	10/30/14		\$12,040.92
524102081486	8-1486	02/08/15	0215016518	02/12/15		\$12,635.74
524102081976	8-1976	10/04/15	0215155090	11/05/15		\$15,362.82
524102082020	8-2020	11/25/12	0213008332	01/18/13		\$5,047.69
524102082075	8-2075	07/14/13	0214037519	04/03/14		\$5,631.52
524102082094	8-2094	09/21/13	0213144706	10/03/13		\$5,553.82
524102082095	8-2095	09/28/13	0213144708	10/03/13		\$5,296.20
524102082108	8-2108	02/23/14	0214026010	03/07/14		\$5,754.56
524102082135	8-2135	07/13/14	0214124444	10/09/14		\$6,671.66
524102082235	8-2235	03/08/15	0215034488	03/26/15		\$9,018.08
524102082251	8-2251	03/29/15	0215071408	06/04/15		\$9,400.24
524102082268	8-2268	05/03/15	0215057152	05/07/15		\$9,320.48
524102082296	8-2296	06/20/15	0215082795	06/25/15		\$9,583.47
524102082340	8-2340	08/09/15	0215110917	08/13/15		\$9,436.88
524102082410	8-2410	01/30/16	0216014545	02/04/16		\$8,404.76
524102083051	8-3051	10/24/13	0213156462	10/24/13		\$3,100.63
524102083054	8-3054	03/08/14	0214070104	06/19/14		\$3,126.77
524102083075	8-3075	06/22/14	0214073222	06/26/14		\$3,151.66

PURCHASED RECEIVABLES
Schedule A

Account ID	Prior Loan ID	Deed of Trust Date	Recording Data #	Recording Date	Name	Balance as of 05/10/18
524102083083	8-3083	07/26/14	0214108089	09/05/14		\$3,200.01
524102083086	8-3086	08/10/14	0214117348	09/25/14		\$3,297.00
524102083097	8-3097	10/19/14	0214138161	11/06/14		\$3,689.04
524102083247	8-3247	07/10/16	0216092170	07/13/16		\$7,958.60
524102084006	8-4006	10/18/15	0215148416	10/22/15		\$15,049.34
Total						\$500,150.62

MORTGAGE LOAN PURCHASE AGREEMENT

THIS MORTGAGE LOAN PURCHASE AGREEMENT entered into to be effective as of May 10, 2018 is by and between SILVER SADDLE COMMERCIAL DEVELOPMENT, LP (the "Seller"), and GALILEO COMMERCIAL PROPERTY OWNERS ASSOCIATION, INC., a California nonprofit corporation (the "Purchaser").

WHEREAS, the Seller owns certain Mortgage Loans (as hereinafter defined) which Mortgage Loans are more particularly listed and described in Schedule A attached hereto and made a part hereof.

WHEREAS, the Seller and the Purchaser wish to set forth the terms pursuant to which the Mortgage Loans, excluding the servicing rights thereto, are to be sold by the Seller to the Purchaser.

WHEREAS, Equiant Financial Services Inc. ("**Equiant**") currently provides the servicing pursuant to a separate servicing agreement previously entered into by and between Seller and Equiant.

NOW, THEREFORE, in consideration of the foregoing, other good and valuable consideration, and the mutual terms and covenants contained herein, the parties hereto agree as follows:

ARTICLE I Definitions

AGREEMENT: This Mortgage Loan Purchase Agreement, as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms hereof.

CLOSING DATE: May 10, 2018.

CUT-OFF DATE: May 10, 2018.

GAAP: Generally applied accounting principles as in effect from time to time in the United States of America.

MORTGAGE: The mortgage, deed of trust or other instrument creating a first lien on the property securing a Mortgage Note.

MORTGAGE FILE: The mortgage documents listed in Section 3.1 pertaining to a particular Mortgage Loan and any additional documents required to be added to the Mortgage File pursuant to this Agreement.

MORTGAGE LOANS: The mortgage loans transferred, sold and conveyed by the Seller to the Purchaser, pursuant to this Agreement.

MORTGAGE NOTE: The original executed note or other evidence of indebtedness evidencing the indebtedness of a Mortgagor under a Mortgage Loan.

MORTGAGED PROPERTY: The underlying property securing a Mortgage Loan, which, with respect to a Cooperative Loan, is the related Coop Shares and Proprietary Lease.

MORTGAGOR: The obligor(s) on a Mortgage Note.

PURCHASE PRICE: \$500,150.62.

PURCHASER: THE GALILLO COMMERCIAL PROPERTY OWNERS ASSOCIATION, INC., a California non-profit corporation, in its capacity as purchaser of the Mortgage Loans from the Seller pursuant to this Agreement.

SELLER: SILVER SADDLE COMMERCIAL DEVELOPMENT, LP, a California limited partnership, and its successors and assigns, in its capacity as seller of the Mortgage Loans pursuant to this Agreement.

SERVICING AGREEMENT: The servicing agreement, by and between Silver Saddle Commercial Development LP, a California limited partnership and its assigns, as owner, and Equiant as servicer.

ARTICLE II Purchase and Sale

Section 2.1 **PURCHASE PRICE.** In consideration for the payment to it of the Purchase Price on the Closing Date, pursuant to written instructions delivered by the Seller to the Purchaser on the Closing Date, the Seller does hereby transfer, sell and convey to the Purchaser on the Closing Date, but with effect from the Cut-off Date, (i) all right, title and interest of the Seller in the Mortgage Loans, including the servicing rights thereto, and the deed of trust securing such Mortgage Loans, including all interest and principal received or receivable by the Seller with respect to the Mortgage Loans on or after the Cut-off Date and all interest and principal payments on the Mortgage Loans received on or prior to the Cut-off Date in respect of installments of interest and principal due thereafter, but not including payments of principal and interest due and payable on the Mortgage Loans on or before the Cut-off Date, (ii) all proceeds from the foregoing. Items (i) through (ii) in the preceding sentence are herein referred to collectively as "Mortgage Assets."

Section 2.2 **TIMING.** The sale of the Mortgage Assets hereunder shall take place on the Closing Date.

ARTICLE III
Conveyance and Delivery

Section 3.1 DELIVERY OF MORTGAGE FILES. In connection with the transfer and assignment set forth in Section 2.1 above, the Seller has delivered or caused to be delivered to Equiant or to the Custodian on its behalf the following documents or instruments with respect to each Mortgage Loan so assigned (collectively, the "Mortgage Files"):

- (a) (1) a copy of the Mortgage Note and an original allonge: "Pay to the order of GALILEO COMMERCIAL PROPERTY OWNERS ASSOCIATION, INC. a California non-profit corporation, with recourse, as set forth in that certain Mortgage Loan Purchase Agreement dated as of May 10, 2018, by and between SILVER SADDLE COMMERCIAL DEVELOPMENT, LP, a California limited partnership, and GALILEO COMMERCIAL PROPERTY OWNERS ASSOCIATION, INC. a California non-profit corporation.," with all intervening endorsements showing a complete chain of endorsement from the Seller to the person endorsing the Mortgage Note (each such endorsement being sufficient to transfer all right, title and interest of the party so endorsing, as noteholder or assignee thereof, in and to that Mortgage Note); or

(2) with respect to any lost Mortgage Note, a lost note affidavit from the Seller stating that the original Mortgage Note was lost or destroyed, together with a copy of such Mortgage Note;
- (b) except as provided below, the original recorded Mortgage Loan or a copy of such Mortgage certified by the Seller as being a true and complete copy of the Mortgage; and
- (b) a duly executed assignment of the Deed of Trust (which may be included in a blanket assignment or assignments), together with, except as provided below, all interim recorded assignments of such mortgage (each such assignment, when duly and validly completed, to be in recordable form and sufficient to effect the assignment of and transfer to the assignee thereof, under the Mortgage to which the assignment relates); provided that, if the related Mortgage has not been returned from the applicable public recording office, such assignment of the Mortgage may exclude the information to be provided by the recording office; and
- (c) a duly executed Bill of Sale, which when executed by the Seller will effect the conveyance of the Mortgage Loans to GALILEO COMMERCIAL PROPERTY OWNERS ASSOCIATION, INC. a California non-profit corporation.

ARTICLE IV
Representations and Warranties

Section 4.1 REPRESENTATIONS AND WARRANTIES OF THE SELLER.

(a) The Seller hereby represents and warrants to the Purchaser, as of the date of execution and delivery hereof, that:

(1) The Seller is duly organized California limited partnership and is validly existing under the laws of the State of California and is duly authorized and qualified to transact any and all business contemplated by this Agreement to be conducted by the Seller in any state in which a Mortgaged Property is located or is otherwise not required under applicable law to effect such qualification and, in any event, is in compliance with the doing business laws of any such state, to the extent necessary to ensure its ability to enforce each Mortgage Loan and to perform any of its other obligations under this Agreement in accordance with the terms thereof.

(2) The Seller has the requisite power and authority to sell each Mortgage Loan, and to execute, deliver and perform, and to enter into and consummate the transactions contemplated by this Agreement and has duly authorized by all necessary action on the part of the Seller the execution, delivery and performance of this Agreement; and this Agreement, assuming the due authorization, execution and delivery thereof by the other parties thereto, constitutes a legal, valid and binding obligation of the Seller, enforceable against the Seller in accordance with its terms, except that (a) the enforceability thereof may be limited by bankruptcy, insolvency, moratorium, receivership and other similar laws relating to creditors' rights generally or of creditors of depository institutions, the accounts of which are insured by the FDIC, and (b) the remedy of specific performance and injunctive and other forms of equitable relief may be subject to equitable defenses and to the discretion of the court before which any proceeding therefor may be brought.

(3) The execution and delivery of this Agreement by the Seller, the sale of the Mortgage Loans by the Seller under this Agreement, the consummation of any other of the transactions contemplated by this Agreement, and the fulfillment of or compliance with the terms thereof are in the ordinary course of business of the Seller and will not (a) result in a material breach of any term or provision of the charter or by-laws of the Seller or (b) materially conflict with, result in a material breach, violation or acceleration of, or result in a material default under, the terms of any other material agreement or instrument to which the Seller is a party or by which it may be bound.

(4) Except for the action initiated by the Commissioner of Business Oversight, no litigation is pending or, to the best of the Seller's knowledge,

threatened against the Seller that would prohibit the execution or delivery of, or performance under, this Agreement by the Seller.

(5) The Mortgage Loans are in good standing and fully enforceable against the Obligors identified there in upon the terms and conditions as set forth upon the face of the mortgage loan documents. The Mortgage Loans or fully collateralized by the Mortgaged Property and are collectible pursuant to the terms and conditions as set forth in the face thereof. There is no default or breach by the Seller or the Obligors in the performance of any obligations presently existing or which may arise in the future.

(b) Within 60 days of the earlier of either discovery by or notice to the Seller of any breach of a representation or warranty that materially and adversely affects the value of a Mortgage Loan or the interest of the Purchaser in such Mortgage Loan, the Seller shall use its best efforts promptly to cure such breach in all material respects. If such breach is not so cured, the Seller shall (i) remove such Mortgage Loan from Equiant and substitute in its place a replacement Mortgage Loan (a "Qualified Substitute Mortgage Loan or Loans"), in the manner and subject to the conditions set forth in this Section and the Pooling and Servicing Agreement; or (ii) repurchase the affected Mortgage Loan or Mortgage Loans from the Purchaser at the Purchase Price in the manner set forth in this Section. The Seller shall promptly reimburse the Purchaser for any actual out-of-pocket expenses reasonably incurred in respect of enforcing the remedies for such breach.

At the time of substitution or repurchase of any deficient Mortgage Loan, the Purchaser and Seller shall arrange for the reassignment of the deficient or repurchased Mortgage Loan to the Seller, and the delivery to the Seller of any documents held by the Seller relating to the deficient or repurchased Mortgage Loan. Upon such repurchase, the Mortgage Loan Schedule shall be amended to reflect the withdrawal of the repurchased Mortgage Loan from this Agreement and, if applicable, the substitution of the applicable Substitute Mortgage Loan or Loans.

As to any Mortgage Loan for which the Seller substitutes a Substitute Mortgage Loan or Loans, the Seller shall affect such substitution by delivering to the Purchaser or Equiant as its designee for such Substitute Mortgage Loan or Loans the Mortgage File and such other documents and agreements as are required by Equiant, with the Mortgage Note endorsed to Purchaser.

The amount, if any, by which (x) the aggregate principal balance of all such substitute Mortgage Loans as of the date of substitution is less than (y) the sum of the aggregate Principal Balance of all such Deleted Mortgage Loans (after application of the scheduled principal portion of the monthly payments due in the month of substitution) (the "Substitution Adjustment Amount") plus an amount equal to the aggregate of any unreimbursed advances with respect to such Deleted Mortgage Loans shall be deposited in the account of Purchaser by the Seller on or before the business day. Upon any such substitution, the custodian, shall

release the Mortgage File held for the benefit of the Seller relating to such Deleted. Project Mortgage Loan and shall execute and deliver at the Seller's direction such instruments of transfer or assignment prepared by the Seller, in each case without recourse, as shall be necessary to transfer title to the Seller, or its designee, of the Purchaser's interest in any Deleted Mortgage Loan substituted pursuant to this Agreement. Upon such substitution, the Substitute Mortgage Loans shall be subject to the terms of this Agreement in all respects, and the Seller shall be deemed to have made with respect to such Substitute Mortgage Loan or Loans, as of the date of substitution, the covenants, representations and warranties set forth above. One or more mortgage loans may be substituted for one or more Deleted Mortgage Loans. The determination of whether a mortgage loan is a Qualified Substitute Mortgage Loan may be satisfied on an individual basis. Alternatively, if more than one mortgage loan is to be substituted for one or more Deleted Mortgage Loans, the characteristics of such mortgage loans and Deleted Mortgage Loans shall be aggregated or calculated on a weighted average basis, as applicable, in determining whether such mortgage loans are Qualified Substitute Mortgage Loans.

In the event that the Seller shall have repurchased a Mortgage Loan, the Purchase Price therefore shall be deposited in the Purchaser's account on or before the Business Day immediately preceding last day of the month following the month during which the Seller became obligated hereunder to repurchase or replace such Mortgage Loan and upon such deposit of the Purchase Price and receipt of a Request for Release, the custodian shall release the related shortage file held for the benefit of the Seller or its designee.

It is understood and agreed that the representations and warranties set forth above shall survive delivery of the respective Mortgage Files to the Purchaser.

It is understood and agreed that the obligations of the Seller set forth herein to cure, repurchase or substitute for a defective Mortgage Loan constitute the sole remedies of the Purchaser.

ARTICLE V Miscellaneous

Section 5.1 TRANSFER INTENDED AS SALE. It is the express intent of the parties hereto that the conveyance of the Mortgage Loans by the Seller to the Purchaser be, and be construed as, an absolute sale thereof in accordance with GAAP and for regulatory purposes. It is, further, not the intention of the parties that such conveyances be deemed a pledge thereof by the Seller to the Purchaser. However, in the event that, notwithstanding the intent of the parties, the Mortgage Loans are held to be the property of the Seller or the Purchaser, respectively, or if for any other reason this Agreement is held or deemed to create a security interest in such assets, then (i) this Agreement shall be deemed to be a security agreement within the meaning of the Uniform Commercial Code of the State of California and (ii) the conveyance of the Mortgage Loans provided

for in this Agreement shall be deemed to be an assignment and a grant by the Seller to the Purchaser of a security interest in all of the Mortgage Loans, whether now owned or hereafter acquired.

The Seller and the Purchaser shall, to the extent consistent with this Agreement, take such actions as may be necessary to ensure that, if this Agreement were deemed to create a security interest in the Mortgage Loans, such security interest would be deemed to be a perfected security interest of first priority under applicable law and will be maintained as such throughout the term of the Agreement. The Seller and the Purchaser shall arrange for filing any Uniform Commercial Code continuation statements in connection with any security interest granted hereby.

Section 5.2 SELLER'S CONSENT TO ASSIGNMENT. The Seller hereby acknowledges the Purchaser's right to assign, transfer and convey all of the Purchaser's rights under this Agreement to a third party and that the representations and warranties made to the Purchaser will, in the case of such assignment, transfer and conveyance, be for the benefit of such third party. The Seller hereby consents to such assignment, transfer and conveyance.

Section 5.3 SPECIFIC PERFORMANCE. Either party or its assignees may enforce specific performance of this Agreement.

Section 5.4 NOTICES. All notices, demands and requests that may be given or that are required to be given hereunder shall be sent by United States certified mail, postage prepaid, return receipt requested, to the parties at their respective addresses as follows:

If to the Purchaser:	THE GALILLO COMMERCIAL PROPERTY OWNERS ASSOC. INC., 7635 N. San Fernando Road, Ste. A Burbank, CA 91505
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If to the Seller:	7635 N. San Fernando Road, Ste. A Burbank, CA 91505 Attn: Tom Maney Tel. #: (818) 768-8808 Fax #: (818) 768-8838
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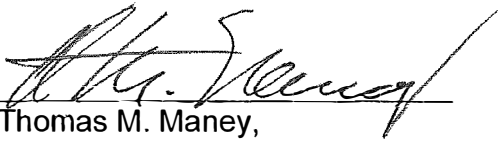
Section 5.5 CHOICE OF LAW. This Agreement shall be construed in accordance with and governed by the substantive laws of the State of California applicable to agreements made and to be performed in the State of California and the obligations, rights and remedies of the parties hereto shall be determined in accordance with such laws.

IN WITNESS WHEREOF, the Purchaser and the Seller have caused their names to be signed hereto by their respective officers thereunto duly authorized to be effective as of the earlier of the Cut-Off Date or the Closing Date.

SELLER:

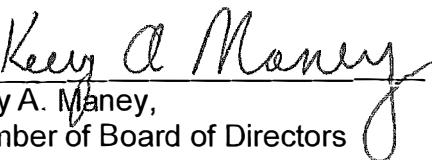
SILVER SADDLE COMMERCIAL
DEVELOPMENT, LP, as Seller

By: SSCD MANAGEMENT, LLC, a
Texas limited liability company,
its General Partner

By: 
Thomas M. Maney,
Manager

PURCHASER:

THE GALILEO COMMERCIAL
PROPERTY OWNERS ASSOCIATION,
INC., as Purchaser

By: 
Kelly A. Maney,
Member of Board of Directors

PURCHASED RECEIVABLES

Schedule A

Account ID	Prior Loan ID	Deed of Trust Date	Recording Data #	Recording Date	Name	Balance as of 05/10/18
524102080011	8-0011	05/07/11	0211147542	11/08/11		\$805.89
524102080016	8-0016	08/27/11	0211151591	11/17/11		\$1,546.29
524102080025	8-0025	10/08/11	0211166765	12/19/11		\$1,971.11
524102080032	8-0032	10/16/11	0211166116	12/16/11		\$283.64
524102080039	8-0039	01/21/12	0212014933	02/03/12		\$1,658.42
524102080051	8-0051	01/28/12	0213031646	03/06/13		\$4,098.38
524102080055	8-0055	02/04/12	0212055667	04/26/12		\$2,168.85
524102080056	8-0056	02/04/12	0212048815	04/12/12		\$2,002.27
524102080062	8-0062	02/11/12	0212042164	03/30/12		\$2,171.30
524102080097	8-0097	03/03/12	0212032115	03/09/12		\$2,667.51
524102080100	8-0100	03/04/12	0212089342	07/02/12		\$2,502.49
524102080120	8-0120	03/24/12	0212042154	03/30/12		\$3,866.59
524102080152	8-0152	04/22/12	0212092211	07/09/12		\$5,888.01
524102080154	8-0154	04/22/12	000213001469	01/04/13		\$3,760.09
524102080235	8-0235	07/08/12	0212131774	09/18/12		\$4,936.40
524102080237	8-0237	07/08/12	0212145330	10/12/12		\$4,937.06
524102080337	8-0337	09/29/12	0215155070	11/05/15		\$12,048.43
524102080550	8-0550	04/13/13	0215038425	04/02/15		\$8,798.25
524102080565	8-0565	04/28/13	0213124464	08/27/13		\$10,306.17
524102080606	8-0606	06/16/13	0213093609	07/03/13		\$10,189.43
524102080663	8-0663	08/03/13	0213116294	08/15/13		\$7,479.36
524102080666	8-0666	08/04/13	0213112553	08/08/13		\$8,047.37
524102080667	8-0667	08/04/13	0213149929	10/15/13		\$10,556.01
524102080671	8-0671	08/04/13	0213113097	08/09/13		\$10,370.54
524102080685	8-0685	08/18/13	0213133153	09/10/13		\$1,577.30
524102080686	8-0686	08/18/13	0213128029	08/30/13		\$7,575.96
524102080705	8-0705	09/14/13	0213144715	10/03/13		\$10,728.80
524102080709	8-0709	09/15/13	0214009826	01/28/14		\$10,820.56
524102080718	8-0718	09/28/13	0213156464	10/24/13		\$10,526.51
524102080787	8-0787	11/10/13	0213169520	11/21/13		\$10,712.36
524102080829	8-0829	12/15/13	0213182065	12/19/13		\$10,998.31

PURCHASED RECEIVABLES
Schedule A

Account ID	Prior Loan ID	Deed of Trust Date	Recording Data #	Recording Date	Name	Balance as of 05/10/18
524102080845	8-0845	03/16/14	0214031124	03/20/14		\$11,006.06
524102080887	8-0887	04/26/14	0214049013	05/01/14		\$6,702.58
524102080901	8-0901	05/04/14	0214066813	06/12/14		\$11,275.03
524102080933	8-0933	05/31/14	0214064427	06/06/14		\$11,310.38
524102080938	8-0938	04/01/14	0214076561	07/03/14		\$11,375.80
524102080970	8-0970	06/14/14	0214070110	06/19/14		\$7,381.79
524102080976	8-0976	06/15/14	0214073206	06/26/14		\$11,287.12
524102080985	8-0985	06/21/14	0214150179	12/04/14		\$11,767.75
524102080993	8-0993	06/22/14	0214073218	06/26/14		\$11,362.69
524102081017	8-1017	07/05/14	0214092790	08/07/14		\$11,474.12
524102081020	8-1020	07/05/14	0214078884	07/10/14		\$11,871.68
524102081101	8-1101	08/10/14	0214099270	08/15/14		\$12,623.35
524102081222	8-1222	09/27/14	0214121582	10/02/14		\$12,980.72
524102081227	8-1227	09/28/14	0214134876	10/30/14		\$12,040.92
524102081486	8-1486	02/08/15	0215016518	02/12/15		\$12,635.74
524102081976	8-1976	10/04/15	0215155090	11/05/15		\$15,362.82
524102082020	8-2020	11/25/12	0213008332	01/18/13		\$5,047.69
524102082075	8-2075	07/14/13	0214037519	04/03/14		\$5,631.52
524102082094	8-2094	09/21/13	0213144706	10/03/13		\$5,553.82
524102082095	8-2095	09/28/13	0213144708	10/03/13		\$5,296.20
524102082108	8-2108	02/23/14	0214026010	03/07/14		\$5,754.56
524102082135	8-2135	07/13/14	0214124444	10/09/14		\$6,671.66
524102082235	8-2235	03/08/15	0215034488	03/26/15		\$9,018.08
524102082251	8-2251	03/29/15	0215071408	06/04/15		\$9,400.24
524102082268	8-2268	05/03/15	0215057152	05/07/15		\$9,320.48
524102082296	8-2296	06/20/15	0215082795	06/25/15		\$9,583.47
524102082340	8-2340	08/09/15	0215110917	08/13/15		\$9,436.88
524102082410	8-2410	01/30/16	0216014545	02/04/16		\$8,404.76
524102083051	8-3051	10/24/13	0213156462	10/24/13		\$3,100.63
524102083054	8-3054	03/08/14	0214070104	06/19/14		\$3,126.77
524102083075	8-3075	06/22/14	0214073222	06/26/14		\$3,151.66

PURCHASED RECEIVABLES
Schedule A

Account ID	Prior Loan ID	Deed of Trust Date	Recording Data #	Recording Date	Name	Balance as of 05/10/18
524102083083	8-3083	07/26/14	0214108089	09/05/14	[REDACTED]	\$3,200.01
524102083086	8-3086	08/10/14	0214117348	09/25/14		\$3,297.00
524102083097	8-3097	10/19/14	0214138161	11/06/14		\$3,689.04
524102083247	8-3247	07/10/16	0216092170	07/13/16		\$7,958.60
524102084006	8-4006	10/18/15	0215148416	10/22/15		\$15,049.34
Total						\$500,150.62

**RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:**

GALILEO COMMERCIAL PROPERTY OWNERS ASSOCIATION, INC.
7635 N San Fernando Rd., Suite A
Burbank California 91505

**ASSIGNMENT OF DEEDS OF TRUST
(Undivided Interests in The Galileo Commercial & Industrial Development)**

Dated: August 17, 2018

THIS ASSIGNMENT OF DEEDS OF TRUST (the "**Assignment**") is executed and delivered as of the date first written above by **SILVER SADDLE COMMERCIAL DEVELOPMENT, LP**, a California limited partnership having its principal place of business at 7635 N. San Fernando Rd., Suite A, Burbank California 91505 ("**Assignor**"), in favor of **GALILEO COMMERCIAL PROPERTY OWNERS ASSOCIATION, INC.** a California non-profit corporation with its principal place of business 7635 N. San Fernando Rd., Suite A, Burbank California 91505 (together with its transferees, successors and assigns, "**Assignee**") and is in furtherance of the terms and conditions of that certain Mortgage Loan Purchase Agreement (the "**Agreement**") dated as of August 17, 2018 by and between Assignor and Assignee, as amended, the terms, conditions, warranties and representations of which are incorporated herein by this reference.

FOR VALUE RECEIVED, and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor does hereby grant, bargain, sell, assign, convey, transfer, set over and deliver with recourse as set forth in the Agreement unto Assignee all of Assignor's rights, title and interest of every nature, inclusive of legal, equitable and beneficial interests, with recourse, in and to those certain deeds of trust dated, recorded and more particularly described in **Exhibit A** attached hereto and incorporated herein by this reference (the "**Assigned Deeds of Trust**"), which shall include all references therein to that certain Declaration of Covenants, Conditions and Restrictions for The Galileo Commercial & Industrial Development, recorded on November 8, 2011 as Document Number 211147545 in the Public Records of Kern County, California, as amended, modified, restated and supplemented from time to time, affecting the property described in **Exhibit B** attached hereto in Kern County, California, and all right, title and interest of Assignor in, and all right title and interest in and to the promissory note or notes described in said Assigned Deeds of Trust (the "**Mortgage Loans**"), sales documents relating to such Assigned Deeds of Trust and Mortgage Loans, whether or not referenced in **Exhibit A**, and all monies, proceeds and awards including, without limitation, interest, due and to become due thereon or with respect thereto.

TOGETHER WITH any and all sums, including interest, due or to become due thereunder, and all rights accrued or to accrue under such Assigned Deeds of Trust and

Mortgage Loans. It is understood that this conveyance represents a true sale of the Mortgage Loans and Assigned Deeds of Trust referenced herein and does not constitute a conveyance for security purposes. It is further understood and agreed that notwithstanding the foregoing or anything otherwise to the contrary, the assignment by Assignor to Assignee hereunder shall not constitute an assumption by Assignee, and Assignee does not hereby assume, any of Assignor's obligations or responsibilities under the sales documents or Mortgage Loans, or otherwise. It is further understood that upon recourse being honored, Assignee shall reassign specified Assigned Deeds of Trust to Assignor. This Assignment of Assigned Deeds of Trust shall inure to the benefit of the Assignee, its legal representatives, assignees, transferees, successors and assigns.

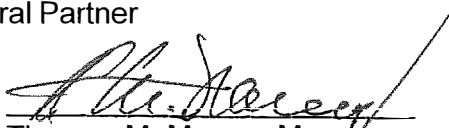
[Signatures appear on Following Page]

IN WITNESS WHEREOF, Assignor has caused this Assignment to be duly executed on the date first above written.

ASSIGNOR:

**SILVER SADDLE
COMMERCIAL DEVELOPMENT, LP,**
a California limited partnership

By: SSCD MANAGEMENT, LLC,
a Texas limited liability company,
its General Partner

By: 
Thomas M. Maney, Manager

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
)
) ss:
COUNTY OF Los Angeles)

On February 6, 2019 before me,
Shelley Leannette Hernandez, Notary Public, personally
appeared Thomas M. Maney, who proved to me on the
basis of satisfactory evidence to be the person(s) whose name(s) is/are
within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the
instrument the person(s), or the entity upon behalf of which the person(s) acted, executed
the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: Shelley Jeanette Hernandez

[Seal]



Exhibit A
to
Assignment of UDI Deeds of Trust

Assigned Deeds of Trust

The following described deeds of trust recorded in respect to the following described Undivided Interests within that certain property known as The Galileo Commercial & Industrial Development, more particularly described in that certain Declaration of Covenants, Conditions and Restrictions for The Galileo Commercial & Industrial Development, recorded on November 8, 2011 as Document Number 211147545 in the Public Records of Kern County, California, as amended, modified, restated and supplemented from time to time:

<u>Account ID</u>	<u>Obligor Name</u>	<u>Undivided Interest</u>	<u>Deed of Trust Date</u>	<u>Recording Data</u>	<u>Recording Date</u>
524101085056		\$19,869.01	10/21/17	217150437	11/03/17
524101085248		\$19,928.32	03/24/18	218036389	03/28/18
524101083413		\$11,087.00	03/24/18	218067618	05/31/18
524101084907		\$19,593.86	07/29/17	217104624	08/09/17
524101085017		\$19,837.74	09/30/17	217167240	12/08/17
524101085149		\$19,763.04	12/09/17	217171730	12/15/17
524101085190		\$19,855.24	02/11/18	218016897	02/14/18

Exhibit B
to
Assignment of UDI Deeds of Trust

Legal Description of Property

Parcel 1: APN 457-020-05-00-1 & 457-020-13-00-4

All of Section 24, Township 31 south, Range 39 east, Mount Diablo Meridian, in the County of Kern, State of California, according to the official plat thereof.

Except a parcel of land in the southwest quarter of said Section 24, being approximately 10,000 square feet located around the well site, said well site being 1874 feet north and 785 feet east of the southwest corner of said Section 24.

Also except a parcel of land located in the south half of said Section 24, being approximately 10,000 square feet located around the well site said well site being north 89°55'55" west, 2,995.55 feet; and north 81.70 feet of the southeast corner of said Section 24, as conveyed to Boron Valley Water Development Company in deed recorded July 27, 1960 in Book 3288 Page 62 of Official Records.

Also except that portion lying within the east half of said section.

Also except that portion of said land lying with Tract No. 3282 per map recorded June 5, 1970 in Book 19 Page 47 of Maps, in the office of the County Recorder of said county.

Also except therefrom that portion of the southwest quarter of said Section 24, as conveyed to California City Community Services District by deed recorded May 13, 1966 in Book 3947 Page 271 of Official Records, described as follows:

Beginning at point "A" as described in Parcel No. 1 of the deed to California City Community Services District, recorded May 13, 1966 in Book 3947 Page 271 of Official Records, thence south 81°18'40" west 30.00 feet; thence north 8°41'20" west 105.78 feet to the true point of beginning; thence north 8°41'20" west 65.97 feet to the beginning of a tangent curve concave southerly and having a radius of 54.00 feet; thence northerly, westerly and southwesterly along said curve through a central angle of 128°50'30" a distance of 121.43 feet; thence tangent to said curve, south 42°28'10" west 58.00 feet; thence south 47°31'50" east 92.00 feet; thence north 81°18'40" east 75.34, more or less, to the true point of beginning.

Also except all uranium, thorium or any other material which is or may be determined to be peculiarly essential to the production of fissionable materials, whether or not of commercial value, together with the right of the United States through its authorized agents or representatives at any time to enter upon the land and prospect for, mine and remove the same as reserved in patent from United States of America, pursuant to Act of August 1, 1946 (60 Stat. 755) recorded February 8, 1957 in Book 2730 Page 547 of Official Records.

Also except all oil, gas, oil shale, coal, phosphate, sodium, gold, silver and all other mineral deposits contained in said lands (except all uranium, thorium or any other material which is or may be determined to be peculiarly essential to the production of fissionable materials, whether or not of commercial value), and further reserving to State of California and persons authorized by the state, the right to drill for and extract such deposits or other minerals from said lands except all uranium, thorium, or other material which is or may be determined to be peculiarly essential to the production of fissionable material whether or not of commercial value) and to occupy and use so much of the surface of said lands as may be required therefor, upon compliance with the conditions and subject to the provisions and limitations of Chapter 5, Part 1 Division 6 of The Public Resources Code, as reserved in the patent from the State of California recorded September 17, 1956 in Book 2663 Page 489 of Official Records.

Also except all alumina, silica, fossils of all geological, ages, metal sand their compound, alkali, alkali earth, sand, clay, gravel, salts and mineral waters, together with the right of the State of California, to prospect for and remove such deposits and occupy the surface of said land for such purposes as provided in Section 6403 of Public Resources Code, effective October 19, 1947.

The State's rights to enter said land to a depth of 500 feet below the surface of said land has been quitclaimed by agreement recorded January 30, 1981, in Book 5348 Page 1917 of Official Records.

Parcel 2: APN 457-020-14-00-7, 457-020-16-00-3 & 457-020-25-00-9

All of Section 23 in Township 31 south, Range 39 east, Mount Diablo Meridian, in the County of Kern, State of California, according to the official plat thereof.

Except that portion lying within Tract No. 3281 as per map recorded in Book 19, Pages 1 to 20 inclusive of Maps, in the office of the County Recorder of said county.

Also except that portion of said land lying within Tract 3282 as per map recorded in Book 19 Pages 47 to 58, inclusive of Maps, in the office of the County Recorder of said county.

Also except therefrom the southeast quarter of said section.

Also except that portion of said land granted to James A. Riley and Barbara J. Riley, husband and wife, by deed recorded June 3, 1971 in Book 4532 Page 580 of Official Records, more particularly described as follows:

Beginning at the westerly terminus of that certain course described as having a bearing and length of south 78°06'34" west 1223.50 feet in the centerline of the 60 foot strip of land described Second in Parcel 1 of deed to California City Community Services District recorded as Document No. 26674 on May 13, 1966 in Book 3947 Page 271 of Official Records, in the Office of the County Recorder of Kern County, State of California, said westerly terminus being the beginning of a curve concave southeasterly, tangent to said certain course and having a radius of 125 feet; thence southwesterly along said curve through a central angle of 17°52'40", a distance of 39.00 feet; thence normal to said curve north 29°46'06" west 604.72 feet to the beginning of a tangent curve concave southwesterly having a radius of 400 feet; thence northwesterly along said curve through a central angle of 22°48'28" a distance of 159.23 feet; thence tangent to said curve north 52°34'34" west 360.00 feet; thence south 37°25'26" west 100.46 feet to the beginning of a tangent curve concave northwesterly having a radius of 300 feet; thence southwesterly along said curve through a central angle of 39°26'28" a distance of 206.51 feet; thence tangent to said curve south 76°51'54" west 334.35 feet to the beginning of a tangent curve concave southeasterly having a radius of 350 feet; thence southwesterly along said curve through a central angle of 17°58'01" a distance of 109.75 feet; thence tangent to said curve south 58°53'53" west 105.38 feet to the beginning of a tangent curve concave northwesterly having a radius of 300 feet; thence southwesterly along said curve through a central angle of 31°06'07" a distance of 162.85 feet; thence south 83°48'38" west 50.00 feet to the true point of beginning; thence continuing south 83°48'38" west 500.15 feet; thence south 14°28'01" west 272.45 feet; thence south 62°14'15" east 229.44 feet; thence east 400.00 feet; thence north 381.45 feet to a point in a non-tangent curve concave northeasterly having a radius of 50.00 feet; and passing through the true point of beginning, a radial line of said curve to said point bears south 13°51'08" west; thence northwesterly along said curve through a central angle of 69°57'30" a distance of 61.05 feet to the true point of beginning.

Also except 1/4th of all oil, gas and other minerals but without the right to enter any portion of said land lying above 500 feet below the surface, was quitclaimed to California City Development Company, recorded August 26, 1959 in Book 3183 Page 296 of Official Records.

Also except an undivided 1/2 interest in and to all oil, gas minerals and mineral rights within or underlying that portion of said land lying within the northwest quarter of said section, but without the right to enter any portion of said land lying above 500 feet below the surface thereof, as conveyed by deed dated March 20, 1970 from Great Western Cities Company, a California Corporation, recorded March 23, 1970 in Book 4380 Page 568 of Official Records.

Also except an undivided 1/2 interest of all oil, gas, petroleum, hydrocarbon substances within or underlying or that may be produced or saved from that portion of said land lying within the northeast quarter of said section, but without the right to enter any portion of said land lying above a depth of 500 feet below the surface thereof as conveyed by deed dated April 29, 1970 from Great Western Cities, Inc., a California Corporation to California City Development Company, a corporation, recorded April 29, 1970 in Book 4392 Page 916 of Official Records.

BILL OF SALE

SECOND CLOSING: DATED AUGUST 17, 2018

KNOW ALL MEN BY THESE PRESENTS:

That **SILVER SADDLE COMMERCIAL DEVELOPMENT, LP**, a California limited partnership (the "**SELLER**"), for and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration paid by **GALILEO COMMERCIAL PROPERTY OWNERS ASSOCIATION, INC.** a California non-profit corporation, with its principal place of business at 7635 N. San Fernando Rd. Suite A, Burbank, CA 91505 ("**PURCHASER**") has, subject in all respects to the terms and provisions of that certain Mortgage Loan Purchase Agreement August 17, 2018, by and between Seller and Purchaser (as amended, the "**AGREEMENT**"), including, without limitation, Seller's repurchase obligations in accordance with **Section 4.1(b)** of the Agreement, and in the manner set forth in the Agreement, bargained, transferred and sold, and by these presents does bargain, transfer, sell and convey to Purchaser, its successors and assigns, all right, title and interest, legal or equitable, in and to all of the Receivables (as such term is defined in the Agreement) described on **Schedule A** attached hereto and incorporated herein by this reference (the "**PURCHASED RECEIVABLES**").

SELLER:

**SILVER SADDLE
COMMERCIAL DEVELOPMENT, LP,**
a California Limited partnership

By: SSSCD MANAGEMENT, LLC,
a Texas limited liability company,
its General Partner

By: 
Thomas M. Maney, Manager

Schedule A to Bill of Sale

Purchased Receivables

[See Attached List of Purchased Receivables]

PURCHASED RECEIVABLES

Schedule A

Account ID	Prior Loan ID	Deed of Trust Date	Recording Data #	Recording Date	Name	Balance as of 08/17/18
524101085056	8-5056	10/21/17	217150437	11/03/17		\$19,869.01
524101085248	8-5248	03/24/18	218036389	03/28/18		\$19,928.32
524101083413	8-3413	03/24/18	218067618	05/31/18		\$11,087.00
524101084907	8-4907	07/29/17	217104624	08/09/17		\$19,593.86
524101085017	8-5017	09/30/17	217167240	12/08/17		\$19,837.74
524101085149	8-5149	12/09/17	217171730	12/15/17		\$19,763.04
524101085190	8-5190	02/11/18	218016897	02/14/18		\$19,855.24
Total						\$129,934.21

MORTGAGE LOAN PURCHASE AGREEMENT

THIS MORTGAGE LOAN PURCHASE AGREEMENT entered into to be effective as of August 17, 2019 is by and between SILVER SADDLE COMMERCIAL DEVELOPMENT, LP (the "Seller"), and GALILEO COMMERCIAL PROPERTY OWNERS ASSOCIATION, INC., a California nonprofit corporation (the "Purchaser").

WHEREAS, the Seller owns certain Mortgage Loans (as hereinafter defined) which Mortgage Loans are more particularly listed and described in Schedule A attached hereto and made a part hereof.

WHEREAS, the Seller and the Purchaser wish to set forth the terms pursuant to which the Mortgage Loans, excluding the servicing rights thereto, are to be sold by the Seller to the Purchaser.

WHEREAS, Equiant Financial Services Inc. ("**Equiant**") currently provides the servicing pursuant to a separate servicing agreement previously entered into by and between Seller and Equiant.

NOW, THEREFORE, in consideration of the foregoing, other good and valuable consideration, and the mutual terms and covenants contained herein, the parties hereto agree as follows:

ARTICLE I Definitions

AGREEMENT: This Mortgage Loan Purchase Agreement, as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms hereof.

CLOSING DATE: August 17, 2018.

CUT-OFF DATE: August 17, 2018.

GAAP: Generally applied accounting principles as in effect from time to time in the United States of America.

MORTGAGE: The mortgage, deed of trust or other instrument creating a first lien on the property securing a Mortgage Note.

MORTGAGE FILE: The mortgage documents listed in Section 3.1 pertaining to a particular Mortgage Loan and any additional documents required to be added to the Mortgage File pursuant to this Agreement.

MORTGAGE LOANS: The mortgage loans transferred, sold and conveyed by the Seller to the Purchaser, pursuant to this Agreement.

MORTGAGE NOTE: The original executed note or other evidence of indebtedness evidencing the indebtedness of a Mortgagor under a Mortgage Loan.

MORTGAGED PROPERTY: The underlying property securing a Mortgage Loan, which, with respect to a Cooperative Loan, is the related Coop Shares and Proprietary Lease.

MORTGAGOR: The obligor(s) on a Mortgage Note.

PURCHASE PRICE: \$129,934.21.

PURCHASER: THE GALILLO COMMERCIAL PROPERTY OWNERS ASSOCIATION, INC., a California non-profit corporation, in its capacity as purchaser of the Mortgage Loans from the Seller pursuant to this Agreement.

SELLER: SILVER SADDLE COMMERCIAL DEVELOPMENT, LP, a California limited partnership, and its successors and assigns, in its capacity as seller of the Mortgage Loans pursuant to this Agreement.

SERVICING AGREEMENT: The servicing agreement, by and between Silver Saddle Commercial Development LP, a California limited partnership and its assigns, as owner, and Equiant as servicer.

ARTICLE II Purchase and Sale

Section 2.1 **PURCHASE PRICE.** In consideration for the payment to it of the Purchase Price on the Closing Date, pursuant to written instructions delivered by the Seller to the Purchaser on the Closing Date, the Seller does hereby transfer, sell and convey to the Purchaser on the Closing Date, but with effect from the Cut-off Date, (i) all right, title and interest of the Seller in the Mortgage Loans, including the servicing rights thereto, and the deed of trust securing such Mortgage Loans, including all interest and principal received or receivable by the Seller with respect to the Mortgage Loans on or after the Cut-off Date and all interest and principal payments on the Mortgage Loans received on or prior to the Cut-off Date in respect of installments of interest and principal due thereafter, but not including payments of principal and interest due and payable on the Mortgage Loans on or before the Cut-off Date, (ii) all proceeds from the foregoing. Items (i) through (ii) in the preceding sentence are herein referred to collectively as "Mortgage Assets."

Section 2.2 **TIMING.** The sale of the Mortgage Assets hereunder shall take place on the Closing Date.

ARTICLE III
Conveyance and Delivery

Section 3.1 DELIVERY OF MORTGAGE FILES. In connection with the transfer and assignment set forth in Section 2.1 above, the Seller has delivered or caused to be delivered to Equiant or to the Custodian on its behalf the following documents or instruments with respect to each Mortgage Loan so assigned (collectively, the "Mortgage Files"):

- (a) (1) a copy of the Mortgage Note and an original allonge: "Pay to the order of GALILEO COMMERCIAL PROPERTY OWNERS ASSOCIATION, INC. a California non-profit corporation, with recourse, as set forth in that certain Mortgage Loan Purchase Agreement dated as of August 17, 2018, by and between SILVER SADDLE COMMERCIAL DEVELOPMENT, LP, a California limited partnership, and GALILEO COMMERCIAL PROPERTY OWNERS ASSOCIATION, INC. a California non-profit corporation.," with all intervening endorsements showing a complete chain of endorsement from the Seller to the person endorsing the Mortgage Note (each such endorsement being sufficient to transfer all right, title and interest of the party so endorsing, as noteholder or assignee thereof, in and to that Mortgage Note); or
 - (2) with respect to any lost Mortgage Note, a lost note affidavit from the Seller stating that the original Mortgage Note was lost or destroyed, together with a copy of such Mortgage Note;
- (b) except as provided below, the original recorded Mortgage Loan or a copy of such Mortgage certified by the Seller as being a true and complete copy of the Mortgage; and
- (b) a duly executed assignment of the Deed of Trust (which may be included in a blanket assignment or assignments), together with, except as provided below, all interim recorded assignments of such mortgage (each such assignment, when duly and validly completed, to be in recordable form and sufficient to effect the assignment of and transfer to the assignee thereof, under the Mortgage to which the assignment relates); provided that, if the related Mortgage has not been returned from the applicable public recording office, such assignment of the Mortgage may exclude the information to be provided by the recording office; and
- (c) a duly executed Bill of Sale, which when executed by the Seller will effect the conveyance of the Mortgage Loans to GALILEO COMMERCIAL PROPERTY OWNERS ASSOCIATION, INC. a California non-profit corporation.

ARTICLE IV
Representations and Warranties

Section 4.1 REPRESENTATIONS AND WARRANTIES OF THE SELLER.

(a) The Seller hereby represents and warrants to the Purchaser, as of the date of execution and delivery hereof, that:

(1) The Seller is duly organized California limited partnership and is validly existing under the laws of the State of California and is duly authorized and qualified to transact any and all business contemplated by this Agreement to be conducted by the Seller in any state in which a Mortgaged Property is located or is otherwise not required under applicable law to effect such qualification and, in any event, is in compliance with the doing business laws of any such state, to the extent necessary to ensure its ability to enforce each Mortgage Loan and to perform any of its other obligations under this Agreement in accordance with the terms thereof.

(2) The Seller has the requisite power and authority to sell each Mortgage Loan, and to execute, deliver and perform, and to enter into and consummate the transactions contemplated by this Agreement and has duly authorized by all necessary action on the part of the Seller the execution, delivery and performance of this Agreement; and this Agreement, assuming the due authorization, execution and delivery thereof by the other parties thereto, constitutes a legal, valid and binding obligation of the Seller, enforceable against the Seller in accordance with its terms, except that (a) the enforceability thereof may be limited by bankruptcy, insolvency, moratorium, receivership and other similar laws relating to creditors' rights generally or of creditors of depository institutions, the accounts of which are insured by the FDIC, and (b) the remedy of specific performance and injunctive and other forms of equitable relief may be subject to equitable defenses and to the discretion of the court before which any proceeding therefor may be brought.

(3) The execution and delivery of this Agreement by the Seller, the sale of the Mortgage Loans by the Seller under this Agreement, the consummation of any other of the transactions contemplated by this Agreement, and the fulfillment of or compliance with the terms thereof are in the ordinary course of business of the Seller and will not (a) result in a material breach of any term or provision of the charter or by-laws of the Seller or (b) materially conflict with, result in a material breach, violation or acceleration of, or result in a material default under, the terms of any other material agreement or instrument to which the Seller is a party or by which it may be bound.

(4) Except for the action initiated by the Commissioner of Business Oversight, no litigation is pending or, to the best of the Seller's knowledge,

threatened against the Seller that would prohibit the execution or delivery of, or performance under, this Agreement by the Seller.

(5) The Mortgage Loans are in good standing and fully enforceable against the Obligors identified there in upon the terms and conditions as set forth upon the face of the mortgage loan documents. The Mortgage Loans or fully collateralized by the Mortgaged Property and are collectible pursuant to the terms and conditions as set forth in the face thereof. There is no default or breach by the Seller or the Obligors in the performance of any obligations presently existing or which may arise in the future.

(b) Within 60 days of the earlier of either discovery by or notice to the Seller of any breach of a representation or warranty that materially and adversely affects the value of a Mortgage Loan or the interest of the Purchaser in such Mortgage Loan, the Seller shall use its best efforts promptly to cure such breach in all material respects. If such breach is not so cured, the Seller shall (i) remove such Mortgage Loan from Equiant and substitute in its place a replacement Mortgage Loan (a "Qualified Substitute Mortgage Loan or Loans"), in the manner and subject to the conditions set forth in this Section and the Pooling and Servicing Agreement; or (ii) repurchase the affected Mortgage Loan or Mortgage Loans from the Purchaser at the Purchase Price in the manner set forth in this Section. The Seller shall promptly reimburse the Purchaser for any actual out-of-pocket expenses reasonably incurred in respect of enforcing the remedies for such breach.

At the time of substitution or repurchase of any deficient Mortgage Loan, the Purchaser and Seller shall arrange for the reassignment of the deficient or repurchased Mortgage Loan to the Seller, and the delivery to the Seller of any documents held by the Seller relating to the deficient or repurchased Mortgage Loan. Upon such repurchase, the Mortgage Loan Schedule shall be amended to reflect the withdrawal of the repurchased Mortgage Loan from this Agreement and, if applicable, the substitution of the applicable Substitute Mortgage Loan or Loans.

As to any Mortgage Loan for which the Seller substitutes a Substitute Mortgage Loan or Loans, the Seller shall affect such substitution by delivering to the Purchaser or Equiant as its designee for such Substitute Mortgage Loan or Loans the Mortgage File and such other documents and agreements as are required by Equiant, with the Mortgage Note endorsed to Purchaser.

The amount, if any, by which (x) the aggregate principal balance of all such substitute Mortgage Loans as of the date of substitution is less than (y) the sum of the aggregate Principal Balance of all such Deleted Mortgage Loans (after application of the scheduled principal portion of the monthly payments due in the month of substitution) (the "Substitution Adjustment Amount") plus an amount equal to the aggregate of any unreimbursed advances with respect to such Deleted Mortgage Loans shall be deposited in the account of Purchaser by the Seller on or before the business day. Upon any such substitution, the custodian, shall

release the Mortgage File held for the benefit of the Seller relating to such Deleted Project Mortgage Loan and shall execute and deliver at the Seller's direction such instruments of transfer or assignment prepared by the Seller, in each case without recourse, as shall be necessary to transfer title to the Seller, or its designee, of the Purchaser's interest in any Deleted Mortgage Loan substituted pursuant to this Agreement. Upon such substitution, the Substitute Mortgage Loans shall be subject to the terms of this Agreement in all respects, and the Seller shall be deemed to have made with respect to such Substitute Mortgage Loan or Loans, as of the date of substitution, the covenants, representations and warranties set forth above. One or more mortgage loans may be substituted for one or more Deleted Mortgage Loans. The determination of whether a mortgage loan is a Qualified Substitute Mortgage Loan may be satisfied on an individual basis. Alternatively, if more than one mortgage loan is to be substituted for one or more Deleted Mortgage Loans, the characteristics of such mortgage loans and Deleted Mortgage Loans shall be aggregated or calculated on a weighted average basis, as applicable, in determining whether such mortgage loans are Qualified Substitute Mortgage Loans.

In the event that the Seller shall have repurchased a Mortgage Loan, the Purchase Price therefore shall be deposited in the Purchaser's account on or before the Business Day immediately preceding last day of the month following the month during which the Seller became obligated hereunder to repurchase or replace such Mortgage Loan and upon such deposit of the Purchase Price and receipt of a Request for Release, the custodian shall release the related shortage file held for the benefit of the Seller or its designee.

It is understood and agreed that the representations and warranties set forth above shall survive delivery of the respective Mortgage Files to the Purchaser.

It is understood and agreed that the obligations of the Seller set forth herein to cure, repurchase or substitute for a defective Mortgage Loan constitute the sole remedies of the Purchaser.

ARTICLE V Miscellaneous

Section 5.1 TRANSFER INTENDED AS SALE. It is the express intent of the parties hereto that the conveyance of the Mortgage Loans by the Seller to the Purchaser be, and be construed as, an absolute sale thereof in accordance with GAAP and for regulatory purposes. It is, further, not the intention of the parties that such conveyances be deemed a pledge thereof by the Seller to the Purchaser. However, in the event that, notwithstanding the intent of the parties, the Mortgage Loans are held to be the property of the Seller or the Purchaser, respectively, or if for any other reason this Agreement is held or deemed to create a security interest in such assets, then (i) this Agreement shall be deemed to be a security agreement within the meaning of the Uniform Commercial Code of the State of California and (ii) the conveyance of the Mortgage Loans provided

for in this Agreement shall be deemed to be an assignment and a grant by the Seller to the Purchaser of a security interest in all of the Mortgage Loans, whether now owned or hereafter acquired.

The Seller and the Purchaser shall, to the extent consistent with this Agreement, take such actions as may be necessary to ensure that, if this Agreement were deemed to create a security interest in the Mortgage Loans, such security interest would be deemed to be a perfected security interest of first priority under applicable law and will be maintained as such throughout the term of the Agreement. The Seller and the Purchaser shall arrange for filing any Uniform Commercial Code continuation statements in connection with any security interest granted hereby.

Section 5.2 SELLER'S CONSENT TO ASSIGNMENT. The Seller hereby acknowledges the Purchaser's right to assign, transfer and convey all of the Purchaser's rights under this Agreement to a third party and that the representations and warranties made to the Purchaser will, in the case of such assignment, transfer and conveyance, be for the benefit of such third party. The Seller hereby consents to such assignment, transfer and conveyance.

Section 5.3 SPECIFIC PERFORMANCE. Either party or its assignees may enforce specific performance of this Agreement.

Section 5.4 NOTICES. All notices, demands and requests that may be given or that are required to be given hereunder shall be sent by United States certified mail, postage prepaid, return receipt requested, to the parties at their respective addresses as follows:

If to the Purchaser:	THE GALILLO COMMERCIAL PROPERTY OWNERS ASSOC. INC., 7635 N. San Fernando Road, Ste. A Burbank, CA 91505
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If to the Seller:	7635 N. San Fernando Road, Ste. A Burbank, CA 91505 Attn: Tom Maney Tel. #: (818) 768-8808 Fax #: (818) 768-8838
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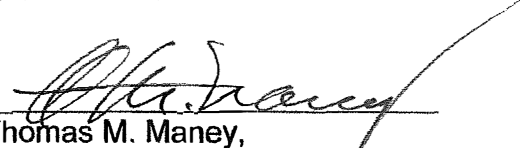
Section 5.5 CHOICE OF LAW. This Agreement shall be construed in accordance with and governed by the substantive laws of the State of California applicable to agreements made and to be performed in the State of California and the obligations, rights and remedies of the parties hereto shall be determined in accordance with such laws.

IN WITNESS WHEREOF, the Purchaser and the Seller have caused their names to be signed hereto by their respective officers thereunto duly authorized to be effective as of the earlier of the Cut-Off Date or the Closing Date.

SELLER:


SILVER SADDLE COMMERCIAL
DEVELOPMENT, LP, as Seller

By: SSCD MANAGEMENT, LLC, a
Texas limited liability company,
its General Partner

By: 
Thomas M. Maney,
Manager

PURCHASER:

THE GALILEO COMMERCIAL
PROPERTY OWNERS ASSOCIATION,
INC., as Purchaser

By: 
Kelly A. Maney,
Member of Board of Directors

PURCHASED RECEIVABLES
Schedule A

Account ID	Prior Loan ID	Deed of Trust Date	Recording Data #	Recording Date	Name	Balance as of 08/17/18
524101085056	8-5056	10/21/17	217150437	11/03/17		\$19,869.01
524101085248	8-5248	03/24/18	218036389	03/28/18		\$19,928.32
524101083413	8-3413	03/24/18	218067618	05/31/18		\$11,087.00
524101084907	8-4907	07/29/17	217104624	08/09/17		\$19,593.86
524101085017	8-5017	09/30/17	217167240	12/08/17		\$19,837.74
524101085149	8-5149	12/09/17	217171730	12/15/17		\$19,763.04
524101085190	8-5190	02/11/18	218016897	02/14/18		\$19,855.24
Total						\$129,934.21

**RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:**

GALILEO COMMERCIAL PROPERTY OWNERS ASSOCIATION, INC.
7635 N San Fernando Rd., Suite A
Burbank California 91505

**ASSIGNMENT OF DEEDS OF TRUST
(Undivided Interests in The Galileo Commercial & Industrial Development)**

Dated: August 30, 2018

THIS ASSIGNMENT OF DEEDS OF TRUST (the "**Assignment**") is executed and delivered as of the date first written above by **SILVER SADDLE COMMERCIAL DEVELOPMENT, LP**, a California limited partnership having its principal place of business at 7635 N. San Fernando Rd., Suite A, Burbank California 91505 ("**Assignor**"), in favor of **GALILEO COMMERCIAL PROPERTY OWNERS ASSOCIATION, INC.** a California non-profit corporation with its principal place of business 7635 N. San Fernando Rd., Suite A, Burbank California 91505 (together with its transferees, successors and assigns, "**Assignee**") and is in furtherance of the terms and conditions of that certain Mortgage Loan Purchase Agreement (the "**Agreement**") dated as of August 30, 2018 by and between Assignor and Assignee, as amended, the terms, conditions, warranties and representations of which are incorporated herein by this reference.

FOR VALUE RECEIVED, and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor does hereby grant, bargain, sell, assign, convey, transfer, set over and deliver with recourse as set forth in the Agreement unto Assignee all of Assignor's rights, title and interest of every nature, inclusive of legal, equitable and beneficial interests, with recourse, in and to those certain deeds of trust dated, recorded and more particularly described in **Exhibit A** attached hereto and incorporated herein by this reference (the "**Assigned Deeds of Trust**"), which shall include all references therein to that certain Declaration of Covenants, Conditions and Restrictions for The Galileo Commercial & Industrial Development, recorded on November 8, 2011 as Document Number 211147545 in the Public Records of Kern County, California, as amended, modified, restated and supplemented from time to time, affecting the property described in **Exhibit B** attached hereto in Kern County, California, and all right, title and interest of Assignor in, and all right title and interest in and to the promissory note or notes described in said Assigned Deeds of Trust (the "**Mortgage Loans**"), sales documents relating to such Assigned Deeds of Trust and Mortgage Loans, whether or not referenced in **Exhibit A**, and all monies, proceeds and awards including, without limitation, interest, due and to become due thereon or with respect thereto.

TOGETHER WITH any and all sums, including interest, due or to become due thereunder, and all rights accrued or to accrue under such Assigned Deeds of Trust and

Mortgage Loans. It is understood that this conveyance represents a true sale of the Mortgage Loans and Assigned Deeds of Trust referenced herein and does not constitute a conveyance for security purposes. It is further understood and agreed that notwithstanding the foregoing or anything otherwise to the contrary, the assignment by Assignor to Assignee hereunder shall not constitute an assumption by Assignee, and Assignee does not hereby assume, any of Assignor's obligations or responsibilities under the sales documents or Mortgage Loans, or otherwise. It is further understood that upon recourse being honored, Assignee shall reassign specified Assigned Deeds of Trust to Assignor. This Assignment of Assigned Deeds of Trust shall inure to the benefit of the Assignee, its legal representatives, assignees, transferees, successors and assigns.

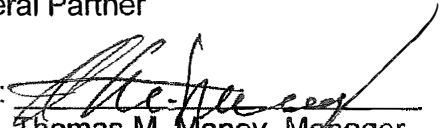
[Signatures appear on Following Page]

IN WITNESS WHEREOF, Assignor has caused this Assignment to be duly executed on the date first above written.

ASSIGNOR:

**SILVER SADDLE
COMMERCIAL DEVELOPMENT, LP,**
a California limited partnership

By: SSCD MANAGEMENT, LLC,
a Texas limited liability company,
its General Partner

By: 
Thomas M. Maney, Manager

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss:
COUNTY OF Los Angeles)

On February 6, 2019 before me,
Shelley Leannette Hernandez, Notary Public, personally
appeared Thomas M. Maney, who proved to me on the
basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the
within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the
instrument the person(s), or the entity upon behalf of which the person(s) acted, executed
the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: Shelley Jeanette Hernandez

[Seal]

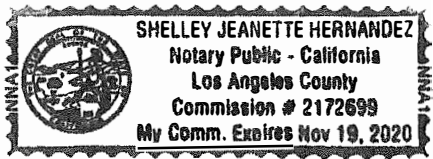


Exhibit A
to
Assignment of UDI Deeds of Trust

Assigned Deeds of Trust

The following described deeds of trust recorded in respect to the following described Undivided Interests within that certain property known as The Galileo Commercial & Industrial Development, more particularly described in that certain Declaration of Covenants, Conditions and Restrictions for The Galileo Commercial & Industrial Development, recorded on November 8, 2011 as Document Number 211147545 in the Public Records of Kern County, California, as amended, modified, restated and supplemented from time to time:

<u>Account ID</u>	<u>Obligor Name</u>	<u>Undivided Interest</u>	<u>Deed of Trust Date</u>	<u>Recording Data</u>	<u>Recording Date</u>
524101080802		\$10,396.68	11/24/13	0214012280	02/03/14
524101082382		\$9,638.72	11/07/15	0215157605	11/11/15
524101082569		\$11,955.20	04/09/17	0217046377	04/12/17
524101082570		\$10,654.54	04/09/17	217046379	04/12/17
524101082583		\$12,223.36	05/21/17	217128016	09/25/17
524101082586		\$12,184.98	05/28/17	217120112	09/07/17
524101082604		\$12,136.69	07/15/17	217092428	07/19/17
524101082607		\$12,060.37	07/16/17	217108591	08/17/17
524101082609		\$12,157.41	07/22/17	217095900	07/26/17
524101082611		\$12,176.85	07/23/17	217115241	08/28/17
524101082614		\$12,143.81	07/29/17	217099963	08/02/17
524101082617		\$12,227.00	07/30/17	217128018	09/25/17
524101082618		\$12,223.36	08/13/17	217125833	09/20/17
524101082620		\$12,176.85	08/19/17	217113674	08/24/17

<u>Account ID</u>	<u>Obligor Name</u>	<u>Undivided Interest</u>	<u>Deed of Trust Date</u>	<u>Recording Data</u>	<u>Recording Date</u>
524101082628		\$12,183.21	09/04/17	217120121	09/07/17
524101082629		\$12,274.44	09/30/17	217161121	11/29/17
524101082632		\$12,229.60	10/07/17	217136290	10/11/17
524101082635		\$12,310.47	10/14/17	218001447	01/05/18
524101082638		\$12,268.60	10/29/17	217149518	11/01/17
524101082641		\$12,268.60	11/04/17	217152451	11/08/17
524101082643		\$12,584.26	11/11/17	218024043	03/02/18
524101082645		\$12,351.62	11/11/17	218005695	01/18/18
524101082646		\$12,552.37	11/12/17	218067616	05/31/18
524101082648		\$12,307.62	11/12/17	217155571	11/15/17
524101082649		\$12,307.62	11/18/17	217157914	11/21/17
524101082650		\$12,125.44	11/19/17	218007997	01/24/18
524101082657		\$12,307.62	12/02/17	217165301	12/06/17
524101082659		\$12,307.62	12/02/17	217165303	12/06/17
524101082663		\$12,587.00	01/21/18	218034295	03/23/18
524101082666		\$12,419.79	01/28/18	218012655	02/02/18
524101082669		\$12,367.17	02/04/18	218024679	03/05/18
524101082670		\$2,467.67	02/08/18	218016891	02/14/18
524101082671		\$12,388.92	02/17/18	218021167	02/26/18
524101082680		\$15,806.68	03/18/18	218061565	05/18/18
524101082683		\$15,887.00	05/12/18	218060414	05/16/18
524101083155		\$5,621.94	06/21/15	0215082791	06/25/15
524101083165		\$5,749.98	08/02/15	0215105623	08/06/15
524101083282		\$8,160.60	11/20/16	217050407	04/21/17
524101083286		\$8,173.81	11/20/16	217064242	05/19/17

<u>Account ID</u>	<u>Obligor Name</u>	<u>Undivided Interest</u>	<u>Deed of Trust Date</u>	<u>Recording Data</u>	<u>Recording Date</u>
524101083307		\$8,279.84	02/18/17	217092432	07/19/17
524101083309		\$7,787.00	02/19/17	0217024160	02/23/17
524101083316		\$8,160.45	03/26/17	0217039683	03/29/17
524101083318		\$8,156.03	04/02/17	0217043369	04/05/17
524101083322		\$8,217.60	05/06/17	217105064	08/10/17
524101083324		\$8,190.30	05/07/17	217059740	05/10/17
524101083327		\$8,396.43	05/14/17	217156730	11/17/17
524101083330		\$8,422.16	05/21/17	218006843	01/22/18
524101083332		\$8,194.39	05/28/17	217069906	06/01/17
524101083333		\$8,218.96	05/28/17	217069908	06/01/17
524101083334		\$8,218.96	05/28/17	217069887	06/01/17
524101083336		\$8,223.03	06/10/17	217076174	06/14/17
524101083337		\$8,175.65	06/10/17	217076176	06/14/17
524101083338		\$8,215.34	06/10/17	217076178	06/14/17
524101083342		\$8,539.47	06/17/17	217165305	12/06/17
524101083343		\$8,213.05	06/17/17	217079671	06/21/17
524101083344		\$8,343.22	06/18/17	217133459	10/04/17
524101083346		\$8,365.54	06/18/17	217134632	10/06/17
524101083347		\$8,528.81	06/25/17	217170685	12/13/17
524101083349		\$8,252.03	07/01/17	217089214	07/12/17
524101083350		\$8,426.45	07/03/17	218005697	01/18/18
524101083351		\$8,345.31	07/03/17	217092430	07/19/17
524101083352		\$8,343.22	07/04/17	217134630	10/06/17
524101083356		\$8,369.81	07/22/17	217152455	11/08/17
524101083357		\$8,369.81	07/22/17	217152457	11/08/17

<u>Account ID</u>	<u>Obligor Name</u>	<u>Undivided Interest</u>	<u>Deed of Trust Date</u>	<u>Recording Data</u>	<u>Recording Date</u>
524101083358		\$8,279.84	07/22/17	217095897	07/26/17
524101083362		\$8,127.69	08/05/17	217145784	10/26/17
524101083364		\$8,365.54	08/13/17	217156732	11/17/17
524101083370		\$8,338.97	09/16/17	217125831	09/20/17
524101083371		\$8,365.54	09/23/17	217145786	10/26/17
524101083374		\$8,486.08	09/30/17	218023425	03/01/18
524101083375		\$8,343.22	10/01/17	217133463	10/04/17
524101083376		\$8,510.70	10/01/17	218039694	04/04/18
524101083377		\$8,511.11	10/01/17	218042886	04/11/18
524101083379		\$8,514.97	10/08/17	218046223	04/18/18
524101083380		\$8,365.54	10/14/17	217141296	10/18/17
524101083390		\$8,486.08	12/03/17	218026517	03/08/18
524101083394		\$8,400.71	12/16/17	217174134	12/20/17
524101083395		\$8,245.22	12/17/17	217174136	12/20/17
524101083396		\$8,400.71	12/17/17	217174138	12/20/17
524101083400		\$8,451.88	01/20/18	218007999	01/24/18
524101083401		\$8,539.40	01/28/18	218054531	05/03/18
524101083402		\$8,447.57	02/10/18	218016893	02/14/18
524101083409		\$10,756.62	03/11/18	218029537	03/14/18
524101083410		\$11,061.93	03/11/18	218076874	06/20/18
524101083412		\$11,030.94	03/24/18	218060416	05/16/18
524101083424		\$11,030.94	04/29/18	218060418	05/16/18
524101083425		\$11,030.94	04/29/18	218060420	05/16/18
524101083431		\$11,056.49	05/20/18	218073594	06/13/18

<u>Account ID</u>	<u>Obligor Name</u>	<u>Undivided Interest</u>	<u>Deed of Trust Date</u>	<u>Recording Data</u>	<u>Recording Date</u>
524101083437		\$11,056.49	05/28/18	218067622	05/31/18
524101083440		\$11,056.49	06/02/18	218070471	06/06/18
524101083441		\$11,056.49	06/03/18	218070473	06/06/18
524101084171		\$15,400.31	02/14/16	0216032360	03/16/16
524101084324		\$18,868.20	03/15/17	0217042699	04/04/17
524101084389		\$19,101.53	6/2/2017	217072715	6/7/2017
524101084414		\$17,960.92	07/04/16	0216090273	07/08/16
524101084535		\$19,341.76	10/21/16	217130880	09/29/17
524101084644		\$18,817.57	12/11/16	0217015719	02/03/17
524101084656		\$18,867.09	01/15/16	0217019320	02/13/17
524101084674		\$18,954.15	02/12/17	0217033037	03/15/17
524101084678		\$19,114.18	02/19/17	217088603	07/11/17
524101084681		\$18,715.47	02/26/17	217071181	06/05/17
524101084684		\$18,945.65	02/26/17	217056860	05/04/17
524101084693		\$14,337.20	03/11/17	0217033031	03/15/17
524101084697		\$18,849.94	03/12/17	0217047449	04/14/17
524101084719		\$19,114.18	03/26/17	217083905	06/29/17
524101084726		\$19,114.18	04/02/17	0217044493	04/07/17
524101084734		\$19,030.52	04/09/17	217077285	06/16/17
524101084737		\$19,260.42	04/09/17	217113680	08/24/17
524101084749		\$18,088.64	04/23/17	217052436	04/26/17
524101084756		\$18,954.15	04/30/17	217056858	05/04/17
524101084757		\$19,116.97	04/30/17	217056856	05/04/17
524101084761		\$20,520.38	05/06/17	217059744	05/10/17
524101084762		\$20,542.63	05/06/17	217059746	05/10/17
524101084768		\$19,029.71	05/13/17	217073234	06/08/17

<u>Account ID</u>	<u>Obligor Name</u>	<u>Undivided Interest</u>	<u>Deed of Trust Date</u>	<u>Recording Data</u>	<u>Recording Date</u>
524101084769		\$18,962.55	05/14/17	217063113	05/17/17
524101084774		\$19,341.76	05/14/17	217123809	09/15/17
524101084783		\$18,962.55	05/21/17	217066241	05/24/17
524101084790		\$14,460.79	05/26/17	217069891	06/01/17
524101084795		\$17,120.88	05/27/17	217073236	06/08/17
524101084803		\$19,190.82	05/28/17	217069912	06/01/17
524101084804		\$19,187.80	05/28/17	217070480	06/02/17
524101084806		\$19,388.96	08/12/17	217107874	08/16/17
524101084807		\$19,260.42	05/28/17	217107876	08/16/17
524101084820		\$19,350.51	06/11/17	217137874	10/13/17
524101084824		\$19,122.98	06/11/17	217089817	07/13/17
524101084833		\$19,186.43	06/25/17	217085559	07/03/17
524101084845		\$19,111.63	06/29/17	217089217	07/12/17
524101084847		\$19,187.80	07/01/17	217086802	07/06/17
524101084853		\$19,412.52	07/02/17	217142096	10/19/17
524101084854		\$19,115.40	07/02/17	217087446	07/07/17
524101084855		\$19,469.09	07/02/17	217170687	12/13/17
524101084856		\$13,784.91	07/29/17	217102014	08/04/17
524101084861		\$19,197.35	07/02/17	217104622	08/09/17
524101084863		\$19,114.18	07/02/17	217086806	07/06/17
524101084866		\$19,187.80	07/03/17	217101067	08/03/17
524101084871		\$19,492.76	07/04/17	217157910	11/21/17
524101084873		\$19,491.88	07/04/17	217156046	11/16/17
524101084877		\$19,421.30	07/08/17	217153102	11/09/17

<u>Account ID</u>	<u>Obligor Name</u>	<u>Undivided Interest</u>	<u>Deed of Trust Date</u>	<u>Recording Data</u>	<u>Recording Date</u>
524101084891		\$19,187.80	07/16/17	217092426	07/19/17
524101084894		\$19,260.88	07/22/17	217129486	09/27/17
524101084910		\$18,269.37	07/29/17	217099965	08/02/17

Exhibit B
to
Assignment of UDI Deeds of Trust

Legal Description of Property

Parcel 1: APN 457-020-05-00-1 & 457-020-13-00-4

All of Section 24, Township 31 south, Range 39 east, Mount Diablo Meridian, in the County of Kern, State of California, according to the official plat thereof.

Except a parcel of land in the southwest quarter of said Section 24, being approximately 10,000 square feet located around the well site, said well site being 1874 feet north and 785 feet east of the southwest corner of said Section 24.

Also except a parcel of land located in the south half of said Section 24, being approximately 10,000 square feet located around the well site said well site being north 89°55'55" west, 2,995.55 feet; and north 81.70 feet of the southeast corner of said Section 24, as conveyed to Boron Valley Water Development Company in deed recorded July 27, 1960 in Book 3288 Page 62 of Official Records.

Also except that portion lying within the east half of said section.

Also except that portion of said land lying with Tract No. 3282 per map recorded June 5, 1970 in Book 19 Page 47 of Maps, in the office of the County Recorder of said county.

Also except therefrom that portion of the southwest quarter of said Section 24, as conveyed to California City Community Services District by deed recorded May 13, 1966 in Book 3947 Page 271 of Official Records, described as follows:

Beginning at point "A" as described in Parcel No. 1 of the deed to California City Community Services District, recorded May 13, 1966 in Book 3947 Page 271 of Official Records, thence south 81°18'40" west 30.00 feet; thence north 8°41'20" west 105.78 feet to the true point of beginning; thence north 8°41'20" west 65.97 feet to the beginning of a tangent curve concave southerly and having a radius of 54.00 feet; thence northerly, westerly and southwesterly along said curve through a central angle of 128°50'30" a distance of 121.43 feet; thence tangent to said curve, south 42°28'10" west 58.00 feet; thence south 47°31'50" east 92.00 feet; thence north 81°18'40" east 75.34, more or less, to the true point of beginning.

Also except all uranium, thorium or any other material which is or may be determined to be peculiarly essential to the production of fissionable materials, whether or not of commercial value, together with the right of the United States through its authorized agents or representatives at any time to enter upon the land and prospect for, mine and remove the same as reserved in patent from United States of America, pursuant to Act of August 1, 1946 (60 Stat. 755) recorded February 8, 1957 in Book 2730 Page 547 of Official Records.

Also except all oil, gas, oil shale, coal, phosphate, sodium, gold, silver and all other mineral deposits contained in said lands (except all uranium, thorium or any other material which is or may be determined to be peculiarly essential to the production of fissionable materials, whether or not of commercial value), and further reserving to State of California and persons authorized by the state, the right to drill for and extract such deposits or other minerals from said lands except all uranium, thorium, or other material which is or may be determined to be peculiarly essential to the production of fissionable material whether or not of commercial value) and to occupy and use so much of the surface of said lands as may be required therefor, upon compliance with the conditions and subject to the provisions and limitations of Chapter 5, Part 1 Division 6 of The Public Resources Code, as reserved in the patent from the State of California recorded September 17, 1956 in Book 2663 Page 489 of Official Records.

Also except all alumina, silica, fossils of all geological, ages, metal sand their compound, alkali, alkali earth, sand, clay, gravel, salts and mineral waters, together with the right of the State of California, to prospect for and remove such deposits and occupy the surface of said land for such purposes as provided in Section 6403 of Public Resources Code, effective October 19, 1947.

The State's rights to enter said land to a depth of 500 feet below the surface of said land has been quitclaimed by agreement recorded January 30, 1981, in Book 5348 Page 1917 of Official Records.

Parcel 2: APN 457-020-14-00-7, 457-020-16-00-3 & 457-020-25-00-9

All of Section 23 in Township 31 south, Range 39 east, Mount Diablo Meridian, in the County of Kern, State of California, according to the official plat thereof.

Except that portion lying within Tract No. 3281 as per map recorded in Book 19, Pages 1 to 20 inclusive of Maps, in the office of the County Recorder of said county.

Also except that portion of said land lying within Tract 3282 as per map recorded in Book 19 Pages 47 to 58, inclusive of Maps, in the office of the County Recorder of said county.

Also except therefrom the southeast quarter of said section.

Also except that portion of said land granted to James A. Riley and Barbara J. Riley, husband and wife, by deed recorded June 3, 1971 in Book 4532 Page 580 of Official Records, more particularly described as follows:

Beginning at the westerly terminus of that certain course described as having a bearing and length of south 78°06'34" west 1223.50 feet in the centerline of the 60 foot strip of land described Second in Parcel 1 of deed to California City Community Services District recorded as Document No. 26674 on May 13, 1966 in Book 3947 Page 271 of Official Records, in the Office of the County Recorder of Kern County, State of California, said westerly terminus being the beginning of a curve concave southeasterly, tangent to said certain course and having a radius of 125 feet; thence southwesterly along said curve through a central angle of 17°52'40", a distance of 39.00 feet; thence normal to said curve north 29°46'06" west 604.72 feet to the beginning of a tangent curve concave southwesterly having a radius of 400 feet; thence northwesterly along said curve through a central angle of 22°48'28" a distance of 159.23 feet; thence tangent to said curve north 52°34'34" west 360.00 feet; thence south 37°25'26" west 100.46 feet to the beginning of a tangent curve concave northwesterly having a radius of 300 feet; thence southwesterly along said curve through a central angle of 39°26'28" a distance of 206.51 feet; thence tangent to said curve south 76°51'54" west 334.35 feet to the beginning of a tangent curve concave southeasterly having a radius of 350 feet; thence southwesterly along said curve through a central angle of 17°58'01" a distance of 109.75 feet; thence tangent to said curve south 58°53'53" west 105.38 feet to the beginning of a tangent curve concave northwesterly having a radius of 300 feet; thence southwesterly along said curve through a central angle of 31°06'07" a distance of 162.85 feet; thence south 83°48'38" west 50.00 feet to the true point of beginning; thence continuing south 83°48'38" west 500.15 feet; thence south 14°28'01" west 272.45 feet; thence south 62°14'15" east 229.44 feet; thence east 400.00 feet; thence north 381.45 feet to a point in a non-tangent curve concave northeasterly having a radius of 50.00 feet; and passing through the true point of beginning, a radial line of said curve to said point bears south 13°51'08" west; thence northwesterly along said curve through a central angle of 69°57'30" a distance of 61.05 feet to the true point of beginning.

Also except 1/4th of all oil, gas and other minerals but without the right to enter any portion of said land lying above 500 feet below the surface, was quitclaimed to California City Development Company, recorded August 26, 1959 in Book 3183 Page 296 of Official Records.

Also except an undivided 1/2 interest in and to all oil, gas minerals and mineral rights within or underlying that portion of said land lying within the northwest quarter of said section, but without the right to enter any portion of said land lying above 500 feet below the surface thereof, as conveyed by deed dated March 20, 1970 from Great Western Cities Company, a California Corporation, recorded March 23, 1970 in Book 4380 Page 568 of Official Records.

Also except an undivided 1/2 interest of all oil, gas, petroleum, hydrocarbon substances within or underlying or that may be produced or saved from that portion of said land lying within the northeast quarter of said section, but without the right to enter any portion of said land lying above a depth of 500 feet below the surface thereof as conveyed by deed dated April 29, 1970 from Great Western Cities, Inc., a California Corporation to California City Development Company, a corporation, recorded April 29, 1970 in Book 4392 Page 916 of Official Records.

BILL OF SALE

THIRD CLOSING: DATED AUGUST 30, 2018

KNOW ALL MEN BY THESE PRESENTS:

That **SILVER SADDLE COMMERCIAL DEVELOPMENT, LP**, a California limited partnership (the "**SELLER**"), for and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration paid by **GALILEO COMMERCIAL PROPERTY OWNERS ASSOCIATION, INC.** a California non-profit corporation, with its principal place of business at 7635 N. San Fernando Rd. Suite A, Burbank, CA 91505 ("**PURCHASER**") has, subject in all respects to the terms and provisions of that certain Mortgage Loan Purchase Agreement August 30, 2018, by and between Seller and Purchaser (as amended, the "**AGREEMENT**"), including, without limitation, Seller's repurchase obligations in accordance with **Section 4.1(b)** of the Agreement, and in the manner set forth in the Agreement, bargained, transferred and sold, and by these presents does bargain, transfer, sell and convey to Purchaser, its successors and assigns, all right, title and interest, legal or equitable, in and to all of the Receivables (as such term is defined in the Agreement) described on **Schedule A** attached hereto and incorporated herein by this reference (the "**PURCHASED RECEIVABLES**").

SELLER:

**SILVER SADDLE
COMMERCIAL DEVELOPMENT, LP,**
a California Limited partnership

By: SSSD MANAGEMENT, LLC,
a Texas limited liability company,
its General Partner

By: 
Thomas M. Maney, Manager

Schedule A to Bill of Sale

Purchased Receivables

[See Attached List of Purchased Receivables]

PURCHASED RECEIVABLES

Schedule A

Account ID	Prior Loan ID	Deed of Trust Date	Recording Data #	Recording Date	Name	Balance as of 08/30/18
524101080802	8-0802	11/24/13	0214012280	02/03/14		\$10,396.68
524101082382	8-2382	11/07/15	0215157605	11/11/15		\$9,638.72
524101082569	8-2569	04/09/17	0217046377	04/12/17		\$11,955.20
524101082570	8-2570	04/09/17	217046379	04/12/17		\$10,654.54
524101082583	8-2583	05/21/17	217128016	09/25/17		\$12,223.36
524101082586	8-2586	05/28/17	217120112	09/07/17		\$12,184.98
524101082604	8-2604	07/15/17	217092428	07/19/17		\$12,136.69
524101082607	8-2607	07/16/17	217108591	08/17/17		\$12,060.37
524101082609	8-2609	07/22/17	217095900	07/26/17		\$12,157.41
524101082611	8-2611	07/23/17	217115241	08/28/17		\$12,176.85
524101082614	8-2314	07/29/17	217099963	08/02/17		\$12,143.81
524101082617	8-2617	07/30/17	217128018	09/25/17		\$12,227.00
524101082618	8-2618	08/13/17	217125833	09/20/17		\$12,223.36
524101082620	8-2620	08/19/17	217113674	08/24/17		\$12,176.85
524101082628	8-2628	09/04/17	217120121	09/07/17		\$12,183.21
524101082629	8-2629	09/30/17	217161121	11/29/17		\$12,274.44
524101082632	8-2632	10/07/17	217136290	10/11/17		\$12,229.60
524101082635	8-2635	10/14/17	218001447	01/05/18		\$12,310.47
524101082638	8-2638	10/29/17	217149518	11/01/17		\$12,268.60
524101082641	8-2641	11/04/17	217152451	11/08/17		\$12,268.60
524101082643	8-2643	11/11/17	218024043	03/02/18		\$12,584.26
524101082645	8-2645	11/11/17	218005695	01/18/18		\$12,351.62
524101082646	8-2646	11/12/17	218067616	05/31/18		\$12,552.37
524101082648	8-2648	11/12/17	217155571	11/15/17		\$12,307.62
524101082649	8-2649	11/18/17	217157914	11/21/17		\$12,307.62
524101082650	8-2650	11/19/17	218007997	01/24/18		\$12,125.44
524101082657	8-2657	12/02/17	217165301	12/06/17		\$12,307.62
524101082659	8-2659	12/02/17	217165303	12/06/17		\$12,307.62
524101082663	8-2663	01/21/18	218034295	03/23/18		\$12,587.00
524101082666	8-2666	01/28/18	218012655	02/02/18		\$12,419.79
524101082669	8-2669	02/04/18	218024679	03/05/18		\$12,367.17
524101082670	8-2670	02/08/18	218016891	02/14/18		\$2,467.67

PURCHASED RECEIVABLES
Schedule A

Account ID	Prior Loan ID	Deed of Trust Date	Recording Data #	Recording Date	Name	Balance as of 08/30/18
524101082671	8-2671	02/17/18	218021167	02/26/18		\$12,388.92
524101082680	8-2680	03/18/18	218061565	05/18/18		\$15,806.68
524101082683	8-2683	05/12/18	218060414	05/16/18		\$15,887.00
524101083155	8-3155	06/21/15	0215082791	06/25/15		\$5,621.94
524101083165	8-3165	08/02/15	0215105623	08/06/15		\$5,749.98
524101083282	8-3282	11/20/16	217050407	04/21/17		\$8,160.60
524101083286	8-3286	11/20/16	217064242	05/19/17		\$8,173.81
524101083307	8-3307	02/18/17	217092432	07/19/17		\$8,279.84
524101083309	8-3309	02/19/17	0217024160	02/23/17		\$7,787.00
524101083316	8-3316	03/26/17	0217039683	03/29/17		\$8,160.45
524101083318	8-3318	04/02/17	0217043369	04/05/17		\$8,156.03
524101083322	8-3322	05/06/17	217105064	08/10/17		\$8,217.60
524101083324	8-3324	05/07/17	217059740	05/10/17		\$8,190.30
524101083327	8-3327	05/14/17	217156730	11/17/17		\$8,396.43
524101083330	8-3330	05/21/17	218006843	01/22/18		\$8,422.16
524101083332	8-3332	05/28/17	217069906	06/01/17		\$8,194.39
524101083333	8-3333	05/28/17	217069908	06/01/17		\$8,218.96
524101083334	8-3334	05/28/17	217069887	06/01/17		\$8,218.96
524101083336	8-3336	06/10/17	217076174	06/14/17		\$8,223.03
524101083337	8-3337	06/10/17	217076176	06/14/17		\$8,175.65
524101083338	8-3338	06/10/17	217076178	06/14/17		\$8,215.34
524101083342	8-3342	06/17/17	217165305	12/06/17		\$8,539.47
524101083343	8-3343	06/17/17	217079671	06/21/17		\$8,213.05
524101083344	8-3344	06/18/17	217133459	10/04/17		\$8,343.22
524101083346	8-3346	06/18/17	217134632	10/06/17		\$8,365.54
524101083347	8-3347	06/25/17	217170685	12/13/17		\$8,528.81
524101083349	8-3349	07/01/17	217089214	07/12/17		\$8,252.03
524101083350	8-3350	07/03/17	218005697	01/18/18		\$8,426.45
524101083351	8-3351	07/03/17	217092430	07/19/17		\$8,345.31
524101083352	8-3352	07/04/17	217134630	10/06/17		\$8,343.22
524101083356	8-3356	07/22/17	217152455	11/08/17		\$8,369.81
524101083357	8-3357	07/22/17	217152457	11/08/17		\$8,369.81

PURCHASED RECEIVABLES

Schedule A

Account ID	Prior Loan ID	Deed of Trust Date	Recording Data #	Recording Date	Name	Balance as of 08/30/18
524101083358	8-3358	07/22/17	217095897	07/26/17		\$8,279.84
524101083362	8-3362	08/05/17	217145784	10/26/17		\$8,127.69
524101083364	8-3364	08/13/17	217156732	11/17/17		\$8,365.54
524101083370	8-3370	09/16/17	217125831	09/20/17		\$8,338.97
524101083371	8-3371	09/23/17	217145786	10/26/17		\$8,365.54
524101083374	8-3374	09/30/17	218023425	03/01/18		\$8,486.08
524101083375	8-3375	10/01/17	217133463	10/04/17		\$8,343.22
524101083376	8-3376	10/01/17	218039694	04/04/18		\$8,510.70
524101083377	8-3377	10/01/17	218042886	04/11/18		\$8,511.11
524101083379	8-3379	10/08/17	218046223	04/18/18		\$8,514.97
524101083380	8-3380	10/14/17	217141296	10/18/17		\$8,365.54
524101083390	8-3390	12/03/17	218026517	03/08/18		\$8,486.08
524101083394	8-3394	12/16/17	217174134	12/20/17		\$8,400.71
524101083395	8-3395	12/17/17	217174136	12/20/17		\$8,245.22
524101083396	8-3396	12/17/17	217174138	12/20/17		\$8,400.71
524101083400	8-3400	01/20/18	218007999	01/24/18		\$8,451.88
524101083401	8-3401	01/28/18	218054531	05/03/18		\$8,539.40
524101083402	8-3402	02/10/18	218016893	02/14/18		\$8,447.57
524101083409	8-3409	03/11/18	218029537	03/14/18		\$10,756.62
524101083410	8-3410	03/11/18	218076874	06/20/18		\$11,061.93
524101083412	8-3412	03/24/18	218060416	05/16/18		\$11,030.94
524101083424	8-3424	04/29/18	218060418	05/16/18		\$11,030.94
524101083425	8-3425	04/29/18	218060420	05/16/18		\$11,030.94
524101083431	8-3431	05/20/18	218073594	06/13/18		\$11,056.49
524101083437	8-3437	05/28/18	218067622	05/31/18		\$11,056.49
524101083440	8-3440	06/02/18	218070471	06/06/18		\$11,056.49
524101083441	8-3441	06/03/18	218070473	06/06/18		\$11,056.49
524101084171	8-4171	02/14/16	0216032360	03/16/16		\$15,400.31
524101084324	8-4324	03/15/17	0217042699	04/04/17		\$18,868.20
524101084389	8-4389	6/2/2017	217072715	6/7/2017		\$19,101.53
524101084414	8-4414	07/04/16	0216090273	07/08/16		\$17,960.92
524101084535	8-4535	10/21/16	217130880	09/29/17		\$19,341.76

PURCHASED RECEIVABLES
Schedule A

Account ID	Prior Loan ID	Deed of Trust Date	Recording Data #	Recording Date	Name	Balance as of 08/30/18
524101084644	8-4644	12/11/16	0217015719	02/03/17		\$18,817.57
524101084656	8-4656	01/15/16	0217019320	02/13/17		\$18,867.09
524101084674	8-4674	02/12/17	0217033037	03/15/17		\$18,954.15
524101084678	8-4678	02/19/17	217088603	07/11/17		\$19,114.18
524101084681	8-4681	02/26/17	217071181	06/05/17		\$18,715.47
524101084684	8-4684	02/26/17	217056860	05/04/17		\$18,945.65
524101084693	8-4693	03/11/17	0217033031	03/15/17		\$14,337.20
524101084697	8-4697	03/12/17	0217047449	04/14/17		\$18,849.94
524101084719	8-4719	03/26/17	217083905	06/29/17		\$19,114.18
524101084726	8-4726	04/02/17	0217044493	04/07/17		\$19,114.18
524101084734	8-4734	04/09/17	217077285	06/16/17		\$19,030.52
524101084737	8-4737	04/09/17	217113680	08/24/17		\$19,260.42
524101084749	8-4749	04/23/17	217052436	04/26/17		\$18,088.64
524101084756	8-4756	04/30/17	217056858	05/04/17		\$18,954.15
524101084757	8-4757	04/30/17	217056856	05/04/17		\$19,116.97
524101084761	8-4761	05/06/17	217059744	05/10/17		\$20,520.38
524101084762	8-4762	05/06/17	217059746	05/10/17		\$20,542.63
524101084768	8-4768	05/13/17	217073234	06/08/17		\$19,029.71
524101084769	8-4769	05/14/17	217063113	05/17/17		\$18,962.55
524101084774	8-4774	05/14/17	217123809	09/15/17		\$19,341.76
524101084783	8-4783	05/21/17	217066241	05/24/17		\$18,962.55
524101084790	8-4790	05/26/17	217069891	06/01/17		\$14,460.79
524101084795	8-4795	05/27/17	217073236	06/08/17		\$17,120.88
524101084803	8-4803	05/28/17	217069912	06/01/17		\$19,190.82
524101084804	8-4804	05/28/17	217070480	06/02/17		\$19,187.80
524101084806	8-4806	08/12/17	217107874	08/16/17		\$19,388.96
524101084807	8-4807	05/28/17	217107876	08/16/17		\$19,260.42
524101084820	8-4820	06/11/17	217137874	10/13/17		\$19,350.51
524101084824	8-4824	06/11/17	217089817	07/13/17		\$19,122.98
524101084833	8-4833	06/25/17	217085559	07/03/17		\$19,186.43
524101084845	8-4845	06/29/17	217089217	07/12/17		\$19,111.63
524101084847	8-4847	07/01/17	217086802	07/06/17		\$19,187.80

PURCHASED RECEIVABLES

Schedule A

Account ID	Prior Loan ID	Deed of Trust Date	Recording Data #	Recording Date	Name	Balance as of 08/30/18
524101084853	8-4853	07/02/17	217142096	10/19/17		\$19,412.52
524101084854	8-4854	07/02/17	217087446	07/07/17		\$19,115.40
524101084855	8-4855	07/02/17	217170687	12/13/17		\$19,469.09
524101084856	8-4856	07/29/17	217102014	08/04/17		\$13,784.91
524101084861	8-4861	07/02/17	217104622	08/09/17		\$19,197.35
524101084863	8-4863	07/02/17	217086806	07/06/17		\$19,114.18
524101084866	8-4866	07/03/17	217101067	08/03/17		\$19,187.80
524101084871	8-4871	07/04/17	217157910	11/21/17		\$19,492.76
524101084873	8-4873	07/04/17	217156046	11/16/17		\$19,491.88
524101084877	8-4877	07/08/17	217153102	11/09/17		\$19,421.30
524101084891	8-4891	07/16/17	217092426	07/19/17		\$19,187.80
524101084894	8-4894	07/22/17	217129486	09/27/17		\$19,260.88
524101084910	8-4910	07/29/17	217099965	08/02/17		\$18,269.37
Total						\$1,841,923.30

MORTGAGE LOAN PURCHASE AGREEMENT

THIS MORTGAGE LOAN PURCHASE AGREEMENT entered into to be effective as of August 30, 2018 is by and between SILVER SADDLE COMMERCIAL DEVELOPMENT, LP (the "Seller"), and GALILEO COMMERCIAL PROPERTY OWNERS ASSOCIATION, INC., a California nonprofit corporation (the "Purchaser").

WHEREAS, the Seller owns certain Mortgage Loans (as hereinafter defined) which Mortgage Loans are more particularly listed and described in Schedule A attached hereto and made a part hereof.

WHEREAS, the Seller and the Purchaser wish to set forth the terms pursuant to which the Mortgage Loans, excluding the servicing rights thereto, are to be sold by the Seller to the Purchaser.

WHEREAS, Equiant Financial Services Inc. ("**Equiant**") currently provides the servicing pursuant to a separate servicing agreement previously entered into by and between Seller and Equiant.

NOW, THEREFORE, in consideration of the foregoing, other good and valuable consideration, and the mutual terms and covenants contained herein, the parties hereto agree as follows:

ARTICLE I Definitions

AGREEMENT: This Mortgage Loan Purchase Agreement, as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms hereof.

CLOSING DATE: August 30, 2018.

CUT-OFF DATE: August 30, 2018.

GAAP: Generally applied accounting principles as in effect from time to time in the United States of America.

MORTGAGE: The mortgage, deed of trust or other instrument creating a first lien on the property securing a Mortgage Note.

MORTGAGE FILE: The mortgage documents listed in Section 3.1 pertaining to a particular Mortgage Loan and any additional documents required to be added to the Mortgage File pursuant to this Agreement.

MORTGAGE LOANS: The mortgage loans transferred, sold and conveyed by the Seller to the Purchaser, pursuant to this Agreement.

MORTGAGE NOTE: The original executed note or other evidence of indebtedness evidencing the indebtedness of a Mortgagor under a Mortgage Loan.

MORTGAGED PROPERTY: The underlying property securing a Mortgage Loan, which, with respect to a Cooperative Loan, is the related Coop Shares and Proprietary Lease.

MORTGAGOR: The obligor(s) on a Mortgage Note.

PURCHASE PRICE: \$1,841,923.30.

PURCHASER: THE GALILLO COMMERCIAL PROPERTY OWNERS ASSOCIATION, INC., a California non-profit corporation, in its capacity as purchaser of the Mortgage Loans from the Seller pursuant to this Agreement.

SELLER: SILVER SADDLE COMMERCIAL DEVELOPMENT, LP, a California limited partnership, and its successors and assigns, in its capacity as seller of the Mortgage Loans pursuant to this Agreement.

SERVICING AGREEMENT: The servicing agreement, by and between Silver Saddle Commercial Development LP, a California limited partnership and its assigns, as owner, and Equiant as servicer.

ARTICLE II Purchase and Sale

Section 2.1 **PURCHASE PRICE.** In consideration for the payment to it of the Purchase Price on the Closing Date, pursuant to written instructions delivered by the Seller to the Purchaser on the Closing Date, the Seller does hereby transfer, sell and convey to the Purchaser on the Closing Date, but with effect from the Cut-off Date, (i) all right, title and interest of the Seller in the Mortgage Loans, including the servicing rights thereto, and the deed of trust securing such Mortgage Loans, including all interest and principal received or receivable by the Seller with respect to the Mortgage Loans on or after the Cut-off Date and all interest and principal payments on the Mortgage Loans received on or prior to the Cut-off Date in respect of installments of interest and principal due thereafter, but not including payments of principal and interest due and payable on the Mortgage Loans on or before the Cut-off Date, (ii) all proceeds from the foregoing. Items (i) through (ii) in the preceding sentence are herein referred to collectively as "Mortgage Assets."

Section 2.2 **TIMING.** The sale of the Mortgage Assets hereunder shall take place on the Closing Date.

ARTICLE III
Conveyance and Delivery

Section 3.1 DELIVERY OF MORTGAGE FILES. In connection with the transfer and assignment set forth in Section 2.1 above, the Seller has delivered or caused to be delivered to Equiant or to the Custodian on its behalf the following documents or instruments with respect to each Mortgage Loan so assigned (collectively, the "Mortgage Files"):

- (a) (1) a copy of the Mortgage Note and an original allonge: "Pay to the order of GALILEO COMMERCIAL PROPERTY OWNERS ASSOCIATION, INC. a California non-profit corporation, with recourse, as set forth in that certain Mortgage Loan Purchase Agreement dated as of August 30, 2018, by and between SILVER SADDLE COMMERCIAL DEVELOPMENT, LP, a California limited partnership, and GALILEO COMMERCIAL PROPERTY OWNERS ASSOCIATION, INC. a California non-profit corporation.," with all intervening endorsements showing a complete chain of endorsement from the Seller to the person endorsing the Mortgage Note (each such endorsement being sufficient to transfer all right, title and interest of the party so endorsing, as noteholder or assignee thereof, in and to that Mortgage Note); or
 - (2) with respect to any lost Mortgage Note, a lost note affidavit from the Seller stating that the original Mortgage Note was lost or destroyed, together with a copy of such Mortgage Note;
- (b) except as provided below, the original recorded Mortgage Loan or a copy of such Mortgage certified by the Seller as being a true and complete copy of the Mortgage; and
- (b) a duly executed assignment of the Deed of Trust (which may be included in a blanket assignment or assignments), together with, except as provided below, all interim recorded assignments of such mortgage (each such assignment, when duly and validly completed, to be in recordable form and sufficient to effect the assignment of and transfer to the assignee thereof, under the Mortgage to which the assignment relates); provided that, if the related Mortgage has not been returned from the applicable public recording office, such assignment of the Mortgage may exclude the information to be provided by the recording office; and
- (c) a duly executed Bill of Sale, which when executed by the Seller will effect the conveyance of the Mortgage Loans to GALILEO COMMERCIAL PROPERTY OWNERS ASSOCIATION, INC. a California non-profit corporation.

ARTICLE IV
Representations and Warranties

Section 4.1 REPRESENTATIONS AND WARRANTIES OF THE SELLER.

(a) The Seller hereby represents and warrants to the Purchaser, as of the date of execution and delivery hereof, that:

(1) The Seller is duly organized California limited partnership and is validly existing under the laws of the State of California and is duly authorized and qualified to transact any and all business contemplated by this Agreement to be conducted by the Seller in any state in which a Mortgaged Property is located or is otherwise not required under applicable law to effect such qualification and, in any event, is in compliance with the doing business laws of any such state, to the extent necessary to ensure its ability to enforce each Mortgage Loan and to perform any of its other obligations under this Agreement in accordance with the terms thereof.

(2) The Seller has the requisite power and authority to sell each Mortgage Loan, and to execute, deliver and perform, and to enter into and consummate the transactions contemplated by this Agreement and has duly authorized by all necessary action on the part of the Seller the execution, delivery and performance of this Agreement; and this Agreement, assuming the due authorization, execution and delivery thereof by the other parties thereto, constitutes a legal, valid and binding obligation of the Seller, enforceable against the Seller in accordance with its terms, except that (a) the enforceability thereof may be limited by bankruptcy, insolvency, moratorium, receivership and other similar laws relating to creditors' rights generally or of creditors of depository institutions, the accounts of which are insured by the FDIC, and (b) the remedy of specific performance and injunctive and other forms of equitable relief may be subject to equitable defenses and to the discretion of the court before which any proceeding therefor may be brought.

(3) The execution and delivery of this Agreement by the Seller, the sale of the Mortgage Loans by the Seller under this Agreement, the consummation of any other of the transactions contemplated by this Agreement, and the fulfillment of or compliance with the terms thereof are in the ordinary course of business of the Seller and will not (a) result in a material breach of any term or provision of the charter or by-laws of the Seller or (b) materially conflict with, result in a material breach, violation or acceleration of, or result in a material default under, the terms of any other material agreement or instrument to which the Seller is a party or by which it may be bound.

(4) Except for the action initiated by the Commissioner of Business Oversight, no litigation is pending or, to the best of the Seller's knowledge,

threatened against the Seller that would prohibit the execution or delivery of, or performance under, this Agreement by the Seller.

(5) The Mortgage Loans are in good standing and fully enforceable against the Obligors identified there in upon the terms and conditions as set forth upon the face of the mortgage loan documents. The Mortgage Loans or fully collateralized by the Mortgaged Property and are collectible pursuant to the terms and conditions as set forth in the face thereof. There is no default or breach by the Seller or the Obligors in the performance of any obligations presently existing or which may arise in the future.

(b) Within 60 days of the earlier of either discovery by or notice to the Seller of any breach of a representation or warranty that materially and adversely affects the value of a Mortgage Loan or the interest of the Purchaser in such Mortgage Loan, the Seller shall use its best efforts promptly to cure such breach in all material respects. If such breach is not so cured, the Seller shall (i) remove such Mortgage Loan from Equiant and substitute in its place a replacement Mortgage Loan (a "Qualified Substitute Mortgage Loan or Loans"), in the manner and subject to the conditions set forth in this Section and the Pooling and Servicing Agreement; or (ii) repurchase the affected Mortgage Loan or Mortgage Loans from the Purchaser at the Purchase Price in the manner set forth in this Section. The Seller shall promptly reimburse the Purchaser for any actual out-of-pocket expenses reasonably incurred in respect of enforcing the remedies for such breach.

At the time of substitution or repurchase of any deficient Mortgage Loan, the Purchaser and Seller shall arrange for the reassignment of the deficient or repurchased Mortgage Loan to the Seller, and the delivery to the Seller of any documents held by the Seller relating to the deficient or repurchased Mortgage Loan. Upon such repurchase, the Mortgage Loan Schedule shall be amended to reflect the withdrawal of the repurchased Mortgage Loan from this Agreement and, if applicable, the substitution of the applicable Substitute Mortgage Loan or Loans.

As to any Mortgage Loan for which the Seller substitutes a Substitute Mortgage Loan or Loans, the Seller shall affect such substitution by delivering to the Purchaser or Equiant as its designee for such Substitute Mortgage Loan or Loans the Mortgage File and such other documents and agreements as are required by Equiant, with the Mortgage Note endorsed to Purchaser.

The amount, if any, by which (x) the aggregate principal balance of all such substitute Mortgage Loans as of the date of substitution is less than (y) the sum of the aggregate Principal Balance of all such Deleted Mortgage Loans (after application of the scheduled principal portion of the monthly payments due in the month of substitution) (the "Substitution Adjustment Amount") plus an amount equal to the aggregate of any unreimbursed advances with respect to such Deleted Mortgage Loans shall be deposited in the account of Purchaser by the Seller on or before the business day. Upon any such substitution, the custodian, shall

release the Mortgage File held for the benefit of the Seller relating to such Deleted Project Mortgage Loan and shall execute and deliver at the Seller's direction such instruments of transfer or assignment prepared by the Seller, in each case without recourse, as shall be necessary to transfer title to the Seller, or its designee, of the Purchaser's interest in any Deleted Mortgage Loan substituted pursuant to this Agreement. Upon such substitution, the Substitute Mortgage Loans shall be subject to the terms of this Agreement in all respects, and the Seller shall be deemed to have made with respect to such Substitute Mortgage Loan or Loans, as of the date of substitution, the covenants, representations and warranties set forth above. One or more mortgage loans may be substituted for one or more Deleted Mortgage Loans. The determination of whether a mortgage loan is a Qualified Substitute Mortgage Loan may be satisfied on an individual basis. Alternatively, if more than one mortgage loan is to be substituted for one or more Deleted Mortgage Loans, the characteristics of such mortgage loans and Deleted Mortgage Loans shall be aggregated or calculated on a weighted average basis, as applicable, in determining whether such mortgage loans are Qualified Substitute Mortgage Loans.

In the event that the Seller shall have repurchased a Mortgage Loan, the Purchase Price therefore shall be deposited in the Purchaser's account on or before the Business Day immediately preceding last day of the month following the month during which the Seller became obligated hereunder to repurchase or replace such Mortgage Loan and upon such deposit of the Purchase Price and receipt of a Request for Release, the custodian shall release the related shortage file held for the benefit of the Seller or its designee.

It is understood and agreed that the representations and warranties set forth above shall survive delivery of the respective Mortgage Files to the Purchaser.

It is understood and agreed that the obligations of the Seller set forth herein to cure, repurchase or substitute for a defective Mortgage Loan constitute the sole remedies of the Purchaser.

ARTICLE V Miscellaneous

Section 5.1 TRANSFER INTENDED AS SALE. It is the express intent of the parties hereto that the conveyance of the Mortgage Loans by the Seller to the Purchaser be, and be construed as, an absolute sale thereof in accordance with GAAP and for regulatory purposes. It is, further, not the intention of the parties that such conveyances be deemed a pledge thereof by the Seller to the Purchaser. However, in the event that, notwithstanding the intent of the parties, the Mortgage Loans are held to be the property of the Seller or the Purchaser, respectively, or if for any other reason this Agreement is held or deemed to create a security interest in such assets, then (i) this Agreement shall be deemed to be a security agreement within the meaning of the Uniform Commercial Code of the State of California and (ii) the conveyance of the Mortgage Loans provided

for in this Agreement shall be deemed to be an assignment and a grant by the Seller to the Purchaser of a security interest in all of the Mortgage Loans, whether now owned or hereafter acquired.

The Seller and the Purchaser shall, to the extent consistent with this Agreement, take such actions as may be necessary to ensure that, if this Agreement were deemed to create a security interest in the Mortgage Loans, such security interest would be deemed to be a perfected security interest of first priority under applicable law and will be maintained as such throughout the term of the Agreement. The Seller and the Purchaser shall arrange for filing any Uniform Commercial Code continuation statements in connection with any security interest granted hereby.

Section 5.2 SELLER'S CONSENT TO ASSIGNMENT. The Seller hereby acknowledges the Purchaser's right to assign, transfer and convey all of the Purchaser's rights under this Agreement to a third party and that the representations and warranties made to the Purchaser will, in the case of such assignment, transfer and conveyance, be for the benefit of such third party. The Seller hereby consents to such assignment, transfer and conveyance.

Section 5.3 SPECIFIC PERFORMANCE. Either party or its assignees may enforce specific performance of this Agreement.

Section 5.4 NOTICES. All notices, demands and requests that may be given or that are required to be given hereunder shall be sent by United States certified mail, postage prepaid, return receipt requested, to the parties at their respective addresses as follows:

If to the Purchaser:	THE GALILIEO COMMERCIAL PROPERTY OWNERS ASSOC. INC., 7635 N. San Fernando Road, Ste. A Burbank, CA 91505
If to the Seller:	7635 N. San Fernando Road, Ste. A Burbank, CA 91505 Attn: Tom Maney Tel. #: (818) 768-8808 Fax #: (818) 768-8838

Section 5.5 CHOICE OF LAW. This Agreement shall be construed in accordance with and governed by the substantive laws of the State of California applicable to agreements made and to be performed in the State of California and the obligations, rights and remedies of the parties hereto shall be determined in accordance with such laws.

IN WITNESS WHEREOF, the Purchaser and the Seller have caused their names to be signed hereto by their respective officers thereunto duly authorized to be effective as of the earlier of the Cut-Off Date or the Closing Date.

SELLER:

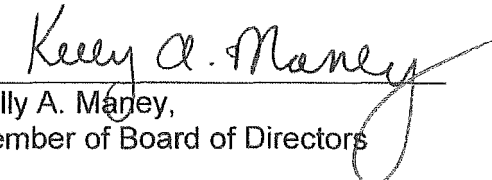
SILVER SADDLE COMMERCIAL
DEVELOPMENT, LP, as Seller

By: SSCD MANAGEMENT, LLC, a
Texas limited liability company,
its General Partner

By: 
Tom Maney,
Manager

PURCHASER:

THE GALILEO COMMERCIAL
PROPERTY OWNERS ASSOCIATION,
INC., as Purchaser

By: 
Kelly A. Maney,
Member of Board of Directors

PURCHASED RECEIVABLES
Schedule A

Account ID	Prior Loan ID	Deed of Trust Date	Recording Data #	Recording Date	Name	Balance as of 08/30/18
524101080802	8-0802	11/24/13	0214012280	02/03/14		\$10,396.68
524101082382	8-2382	11/07/15	0215157605	11/11/15		\$9,638.72
524101082569	8-2569	04/09/17	0217046377	04/12/17		\$11,955.20
524101082570	8-2570	04/09/17	217046379	04/12/17		\$10,654.54
524101082583	8-2583	05/21/17	217128016	09/25/17		\$12,223.36
524101082586	8-2586	05/28/17	217120112	09/07/17		\$12,184.98
524101082604	8-2604	07/15/17	217092428	07/19/17		\$12,136.69
524101082607	8-2607	07/16/17	217108591	08/17/17		\$12,060.37
524101082609	8-2609	07/22/17	217095900	07/26/17		\$12,157.41
524101082611	8-2611	07/23/17	217115241	08/28/17		\$12,176.85
524101082614	8-2314	07/29/17	217099963	08/02/17		\$12,143.81
524101082617	8-2617	07/30/17	217128018	09/25/17		\$12,227.00
524101082618	8-2618	08/13/17	217125833	09/20/17		\$12,223.36
524101082620	8-2620	08/19/17	217113674	08/24/17		\$12,176.85
524101082628	8-2628	09/04/17	217120121	09/07/17		\$12,183.21
524101082629	8-2629	09/30/17	217161121	11/29/17		\$12,274.44
524101082632	8-2632	10/07/17	217136290	10/11/17		\$12,229.60
524101082635	8-2635	10/14/17	218001447	01/05/18		\$12,310.47
524101082638	8-2638	10/29/17	217149518	11/01/17		\$12,268.60
524101082641	8-2641	11/04/17	217152451	11/08/17		\$12,268.60
524101082643	8-2643	11/11/17	218024043	03/02/18		\$12,584.26
524101082645	8-2645	11/11/17	218005695	01/18/18		\$12,351.62
524101082646	8-2646	11/12/17	218067616	05/31/18		\$12,552.37
524101082648	8-2648	11/12/17	217155571	11/15/17		\$12,307.62
524101082649	8-2649	11/18/17	217157914	11/21/17		\$12,307.62
524101082650	8-2650	11/19/17	218007997	01/24/18		\$12,125.44
524101082657	8-2657	12/02/17	217165301	12/06/17		\$12,307.62
524101082659	8-2659	12/02/17	217165303	12/06/17		\$12,307.62
524101082663	8-2663	01/21/18	218034295	03/23/18		\$12,587.00
524101082666	8-2666	01/28/18	218012655	02/02/18		\$12,419.79
524101082669	8-2669	02/04/18	218024679	03/05/18		\$12,367.17
524101082670	8-2670	02/08/18	218016891	02/14/18		\$2,467.67

PURCHASED RECEIVABLES

Schedule A

Account ID	Prior Loan ID	Deed of Trust Date	Recording Data #	Recording Date	Name	Balance as of 08/30/18
524101082671	8-2671	02/17/18	218021167	02/26/18		\$12,388.92
524101082680	8-2680	03/18/18	218061565	05/18/18		\$5,806.68
524101082683	8-2683	05/12/18	218060414	05/16/18		\$5,887.00
524101083155	8-3155	06/21/15	0215082791	06/25/15		\$5,621.94
524101083165	8-3165	08/02/15	0215105623	08/06/15		\$5,749.98
524101083282	8-3282	11/20/16	217050407	04/21/17		\$8,160.60
524101083286	8-3286	11/20/16	217064242	05/19/17		\$8,173.81
524101083307	8-3307	02/18/17	217092432	07/19/17		\$8,279.84
524101083309	8-3309	02/19/17	0217024160	02/23/17		\$7,787.00
524101083316	8-3316	03/26/17	0217039683	03/29/17		\$8,160.45
524101083318	8-3318	04/02/17	0217043369	04/05/17		\$8,156.03
524101083322	8-3322	05/06/17	217105064	08/10/17		\$8,217.60
524101083324	8-3324	05/07/17	217059740	05/10/17		\$8,190.30
524101083327	8-3327	05/14/17	217156730	11/17/17		\$8,396.43
524101083330	8-3330	05/21/17	218006843	01/22/18		\$8,422.16
524101083332	8-3332	05/28/17	217069906	06/01/17		\$8,194.39
524101083333	8-3333	05/28/17	217069908	06/01/17		\$8,218.96
524101083334	8-3334	05/28/17	217069887	06/01/17		\$8,218.96
524101083336	8-3336	06/10/17	217076174	06/14/17		\$8,223.03
524101083337	8-3337	06/10/17	217076176	06/14/17		\$8,175.65
524101083338	8-3338	06/10/17	217076178	06/14/17		\$8,215.34
524101083342	8-3342	06/17/17	217165305	12/06/17		\$8,539.47
524101083343	8-3343	06/17/17	217079671	06/21/17		\$8,213.05
524101083344	8-3344	06/18/17	217133459	10/04/17		\$8,343.22
524101083346	8-3346	06/18/17	217134632	10/06/17		\$8,365.54
524101083347	8-3347	06/25/17	217170685	12/13/17		\$8,528.81
524101083349	8-3349	07/01/17	217089214	07/12/17		\$8,252.03
524101083350	8-3350	07/03/17	218005697	01/18/18		\$8,426.45
524101083351	8-3351	07/03/17	217092430	07/19/17		\$8,345.31
524101083352	8-3352	07/04/17	217134630	10/06/17		\$8,343.22
524101083356	8-3356	07/22/17	217152455	11/08/17		\$8,369.81
524101083357	8-3357	07/22/17	217152457	11/08/17		\$8,369.81

PURCHASED RECEIVABLES
Schedule A

Account ID	Prior Loan ID	Deed of Trust Date	Recording Data #	Recording Date	Name	Balance as of 08/30/18
524101083358	8-3358	07/22/17	217095897	07/26/17		\$8,279.84
524101083362	8-3362	08/05/17	217145784	10/26/17		\$8,127.69
524101083364	8-3364	08/13/17	217156732	11/17/17		\$8,365.54
524101083370	8-3370	09/16/17	217125831	09/20/17		\$8,338.97
524101083371	8-3371	09/23/17	217145786	10/26/17		\$8,365.54
524101083374	8-3374	09/30/17	218023425	03/01/18		\$8,486.08
524101083375	8-3375	10/01/17	217133463	10/04/17		\$8,343.22
524101083376	8-3376	10/01/17	218039694	04/04/18		\$8,510.70
524101083377	8-3377	10/01/17	218042886	04/11/18		\$8,511.11
524101083379	8-3379	10/08/17	218046223	04/18/18		\$8,514.97
524101083380	8-3380	10/14/17	217141296	10/18/17		\$8,365.54
524101083390	8-3390	12/03/17	218026517	03/08/18		\$8,486.08
524101083394	8-3394	12/16/17	217174134	12/20/17		\$8,400.71
524101083395	8-3395	12/17/17	217174136	12/20/17		\$8,245.22
524101083396	8-3396	12/17/17	217174138	12/20/17		\$8,400.71
524101083400	8-3400	01/20/18	218007999	01/24/18		\$8,451.88
524101083401	8-3401	01/28/18	218054531	05/03/18		\$8,539.40
524101083402	8-3402	02/10/18	218016893	02/14/18		\$8,447.57
524101083409	8-3409	03/11/18	218029537	03/14/18		\$10,756.62
524101083410	8-3410	03/11/18	218076874	06/20/18		\$11,061.93
524101083412	8-3412	03/24/18	218060416	05/16/18		\$11,030.94
524101083424	8-3424	04/29/18	218060418	05/16/18		\$11,030.94
524101083425	8-3425	04/29/18	218060420	05/16/18		\$11,030.94
524101083431	8-3431	05/20/18	218073594	06/13/18		\$11,056.49
524101083437	8-3437	05/28/18	218067622	05/31/18		\$11,056.49
524101083440	8-3440	06/02/18	218070471	06/06/18		\$11,056.49
524101083441	8-3441	06/03/18	218070473	06/06/18		\$11,056.49
524101084171	8-4171	02/14/16	0216032360	03/16/16		\$15,400.31
524101084324	8-4324	03/15/17	0217042699	04/04/17		\$18,868.20
524101084389	8-4389	6/2/2017	217072715	6/7/2017		\$19,101.53
524101084414	8-4414	07/04/16	0216090273	07/08/16		\$17,960.92
524101084535	8-4535	10/21/16	217130880	09/29/17		\$19,341.76

PURCHASED RECEIVABLES

Schedule A

Account ID	Prior Loan ID	Deed of Trust Date	Recording Data #	Recording Date	Name	Balance as of 08/30/18
524101084644	8-4644	12/11/16	0217015719	02/03/17		\$18,817.57
524101084656	8-4656	01/15/16	0217019320	02/13/17		\$18,867.09
524101084674	8-4674	02/12/17	0217033037	03/15/17		\$18,954.15
524101084678	8-4678	02/19/17	217088603	07/11/17		\$19,114.18
524101084681	8-4681	02/26/17	217071181	06/05/17		\$18,715.47
524101084684	8-4684	02/26/17	217056860	05/04/17		\$18,945.65
524101084693	8-4693	03/11/17	0217033031	03/15/17		\$14,337.20
524101084697	8-4697	03/12/17	0217047449	04/14/17		\$18,849.94
524101084719	8-4719	03/26/17	217083905	06/29/17		\$19,114.18
524101084726	8-4726	04/02/17	0217044493	04/07/17		\$19,114.18
524101084734	8-4734	04/09/17	217077285	06/16/17		\$19,030.52
524101084737	8-4737	04/09/17	217113680	08/24/17		\$19,260.42
524101084749	8-4749	04/23/17	217052436	04/26/17		\$18,088.64
524101084756	8-4756	04/30/17	217056858	05/04/17		\$18,954.15
524101084757	8-4757	04/30/17	217056856	05/04/17		\$19,116.97
524101084761	8-4761	05/06/17	217059744	05/10/17		\$20,520.38
524101084762	8-4762	05/06/17	217059746	05/10/17		\$20,542.63
524101084768	8-4768	05/13/17	217073234	06/08/17		\$19,029.71
524101084769	8-4769	05/14/17	217063113	05/17/17		\$18,962.55
524101084774	8-4774	05/14/17	217123809	09/15/17		\$19,341.76
524101084783	8-4783	05/21/17	217066241	05/24/17		\$18,962.55
524101084790	8-4790	05/26/17	217069891	06/01/17		\$14,460.79
524101084795	8-4795	05/27/17	217073236	06/08/17		\$17,120.88
524101084803	8-4803	05/28/17	217069912	06/01/17		\$19,190.82
524101084804	8-4804	05/28/17	217070480	06/02/17		\$19,187.80
524101084806	8-4806	08/12/17	217107874	08/16/17		\$19,388.96
524101084807	8-4807	05/28/17	217107876	08/16/17		\$19,260.42
524101084820	8-4820	06/11/17	217137874	10/13/17		\$19,350.51
524101084824	8-4824	06/11/17	217089817	07/13/17		\$19,122.98
524101084833	8-4833	06/25/17	217085559	07/03/17		\$19,186.43
524101084845	8-4845	06/29/17	217089217	07/12/17		\$19,111.63
524101084847	8-4847	07/01/17	217086802	07/06/17		\$19,187.80

PURCHASED RECEIVABLES
Schedule A

Account ID	Prior Loan ID	Deed of Trust Date	Recording Data #	Recording Date	Name	Balance as of 08/30/18
524101084853	8-4853	07/02/17	217142096	10/19/17		\$19,412.52
524101084854	8-4854	07/02/17	217087446	07/07/17		\$19,115.40
524101084855	8-4855	07/02/17	217170687	12/13/17		\$19,469.09
524101084856	8-4856	07/29/17	217102014	08/04/17		\$13,784.91
524101084861	8-4861	07/02/17	217104622	08/09/17		\$19,197.35
524101084863	8-4863	07/02/17	217086806	07/06/17		\$19,114.18
524101084866	8-4866	07/03/17	217101067	08/03/17		\$19,187.80
524101084871	8-4871	07/04/17	217157910	11/21/17		\$19,492.76
524101084873	8-4873	07/04/17	217156046	11/16/17		\$19,491.88
524101084877	8-4877	07/08/17	217153102	11/09/17		\$19,421.30
524101084891	8-4891	07/16/17	217092426	07/19/17		\$19,187.80
524101084894	8-4894	07/22/17	217129486	09/27/17		\$19,260.88
524101084910	8-4910	07/29/17	217099965	08/02/17		\$18,269.37
Total						\$1,841,923.30

**RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:**

GALILEO COMMERCIAL PROPERTY OWNERS ASSOCIATION, INC.
7635 N San Fernando Rd., Suite A
Burbank California 91505

**ASSIGNMENT OF DEEDS OF TRUST
(Undivided Interests in The Galileo Commercial & Industrial Development)**

Dated: January 8, 2019

THIS ASSIGNMENT OF DEEDS OF TRUST (the "**Assignment**") is executed and delivered as of the date first written above by **SILVER SADDLE COMMERCIAL DEVELOPMENT, LP**, a California limited partnership having its principal place of business at 7635 N. San Fernando Rd., Suite A, Burbank California 91505 ("**Assignor**"), in favor of **GALILEO COMMERCIAL PROPERTY OWNERS ASSOCIATION, INC.** a California non-profit corporation with its principal place of business 7635 N. San Fernando Rd., Suite A, Burbank California 91505 (together with its transferees, successors and assigns, "**Assignee**") and is in furtherance of the terms and conditions of that certain Mortgage Loan Purchase Agreement (the "**Agreement**") dated as of January 8, 2019 by and between Assignor and Assignee, as amended, the terms, conditions, warranties and representations of which are incorporated herein by this reference.

FOR VALUE RECEIVED, and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor does hereby grant, bargain, sell, assign, convey, transfer, set over and deliver with recourse as set forth in the Agreement unto Assignee all of Assignor's rights, title and interest of every nature, inclusive of legal, equitable and beneficial interests, with recourse, in and to those certain deeds of trust dated, recorded and more particularly described in **Exhibit A** attached hereto and incorporated herein by this reference (the "**Assigned Deeds of Trust**"), which shall include all references therein to that certain Declaration of Covenants, Conditions and Restrictions for The Galileo Commercial & Industrial Development, recorded on November 8, 2011 as Document Number 211147545 in the Public Records of Kern County, California, as amended, modified, restated and supplemented from time to time, affecting the property described in **Exhibit B** attached hereto in Kern County, California, and all right, title and interest of Assignor in, and all right title and interest in and to the promissory note or notes described in said Assigned Deeds of Trust (the "**Mortgage Loans**"), sales documents relating to such Assigned Deeds of Trust and Mortgage Loans, whether or not referenced in **Exhibit A**, and all monies, proceeds and awards including, without limitation, interest, due and to become due thereon or with respect thereto.

TOGETHER WITH any and all sums, including interest, due or to become due thereunder, and all rights accrued or to accrue under such Assigned Deeds of Trust and

Mortgage Loans. It is understood that this conveyance represents a true sale of the Mortgage Loans and Assigned Deeds of Trust referenced herein and does not constitute a conveyance for security purposes. It is further understood and agreed that notwithstanding the foregoing or anything otherwise to the contrary, the assignment by Assignor to Assignee hereunder shall not constitute an assumption by Assignee, and Assignee does not hereby assume, any of Assignor's obligations or responsibilities under the sales documents or Mortgage Loans, or otherwise. It is further understood that upon recourse being honored, Assignee shall reassign specified Assigned Deeds of Trust to Assignor. This Assignment of Assigned Deeds of Trust shall inure to the benefit of the Assignee, its legal representatives, assignees, transferees, successors and assigns.

[Signatures appear on Following Page]

IN WITNESS WHEREOF, Assignor has caused this Assignment to be duly executed on the date first above written.

ASSIGNOR:

**SILVER SADDLE
COMMERCIAL DEVELOPMENT, LP,**
a California limited partnership

By: SSCD MANAGEMENT, LLC,
a Texas limited liability company,
its General Partner

By: 
Thomas M. Maney, Manager

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
)
) ss:
COUNTY OF Los Angeles)

On February 6, 2019 before me,
Shelley Jeanette Hernandez, Notary Public, personally
appeared Thomas M. Maney, who proved to me on the
basis of satisfactory evidence to be the person(s) whose name(s) ~~is~~ are subscribed to the
within instrument and acknowledged to me that ~~he~~ she/they executed the same in
~~his~~ her/their authorized capacity(ies), and that by his/her/their signature(s) on the
instrument the person(s), or the entity upon behalf of which the person(s) acted, executed
the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: Shelley Jeanette Hernandez

[Seal]

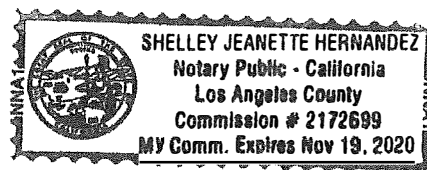


Exhibit A
to
Assignment of UDI Deeds of Trust

Assigned Deeds of Trust

The following described deeds of trust recorded in respect to the following described Undivided Interests within that certain property known as The Galileo Commercial & Industrial Development, more particularly described in that certain Declaration of Covenants, Conditions and Restrictions for The Galileo Commercial & Industrial Development, recorded on November 8, 2011 as Document Number 211147545 in the Public Records of Kern County, California, as amended, modified, restated and supplemented from time to time:

<u>Account ID</u>	<u>Obligor Name</u>	<u>Undivided Interest</u>	<u>Deed of Trust Date</u>	<u>Recording Data</u>	<u>Recording Date</u>
524103085420		\$25,198.20	08/04/18	218117388	09/06/18
524103085427		\$22,390.62	08/05/18	218126362	09/26/18
524103085443		\$25,428.06	08/18/18	218109961	08/22/18
524103085446		\$25,521.64	08/18/18	218119904	09/12/18
524103085467		\$25,521.64	09/01/18	218117396	09/06/18
524103085475		\$25,521.64	09/02/18	218118002	09/07/18
524103085483		\$25,521.64	09/09/18	218119908	09/12/18
524103085486		\$25,592.00	09/15/18	218137416	10/17/18
524103085487		\$25,521.64	09/15/18	218124570	09/21/18
524103085494		\$25,521.64	09/22/18	218126372	09/26/18
524103085525		\$25,521.64	10/20/18	218140460	10/24/18
524103085531		\$25,521.64	10/27/18	218147493	11/08/18

Exhibit B
to
Assignment of UDI Deeds of Trust

Legal Description of Property

Parcel 1: APN 457-020-05-00-1 & 457-020-13-00-4

All of Section 24, Township 31 south, Range 39 east, Mount Diablo Meridian, in the County of Kern, State of California, according to the official plat thereof.

Except a parcel of land in the southwest quarter of said Section 24, being approximately 10,000 square feet located around the well site, said well site being 1874 feet north and 785 feet east of the southwest corner of said Section 24.

Also except a parcel of land located in the south half of said Section 24, being approximately 10,000 square feet located around the well site said well site being north 89°55'55" west, 2,995.55 feet; and north 81.70 feet of the southeast corner of said Section 24, as conveyed to Boron Valley Water Development Company in deed recorded July 27, 1960 in Book 3288 Page 62 of Official Records.

Also except that portion lying within the east half of said section.

Also except that portion of said land lying with Tract No. 3282 per map recorded June 5, 1970 in Book 19 Page 47 of Maps, in the office of the County Recorder of said county.

Also except therefrom that portion of the southwest quarter of said Section 24, as conveyed to California City Community Services District by deed recorded May 13, 1966 in Book 3947 Page 271 of Official Records, described as follows:

Beginning at point "A" as described in Parcel No. 1 of the deed to California City Community Services District, recorded May 13, 1966 in Book 3947 Page 271 of Official Records, thence south 81°18'40" west 30.00 feet; thence north 8°41'20" west 105.78 feet to the true point of beginning; thence north 8°41'20" west 65.97 feet to the beginning of a tangent curve concave southerly and having a radius of 54.00 feet; thence northerly, westerly and southwesterly along said curve through a central angle of 128°50'30" a distance of 121.43 feet; thence tangent to said curve, south 42°28'10" west 58.00 feet; thence south 47°31'50" east 92.00 feet; thence north 81°18'40" east 75.34, more or less, to the true point of beginning.

Also except all uranium, thorium or any other material which is or may be determined to be peculiarly essential to the production of fissionable materials, whether or not of commercial value, together with the right of the United States through its authorized agents or representatives at any time to enter upon the land and prospect for, mine and remove the same as reserved in patent from United States of America, pursuant to Act of August 1, 1946 (60 Stat. 755) recorded February 8, 1957 in Book 2730 Page 547 of Official Records.

Also except all oil, gas, oil shale, coal, phosphate, sodium, gold, silver and all other mineral deposits contained in said lands (except all uranium, thorium or any other material which is or may be determined to be peculiarly essential to the production of fissionable materials, whether or not of commercial value), and further reserving to State of California and persons authorized by the state, the right to drill for and extract such deposits or other minerals from said lands except all uranium, thorium, or other material which is or may be determined to be peculiarly essential to the production of fissionable material whether or not of commercial value) and to occupy and use so much of the surface of said lands as may be required therefor, upon compliance with the conditions and subject to the provisions and limitations of Chapter 5, Part 1 Division 6 of The Public Resources Code, as reserved in the patent from the State of California recorded September 17, 1956 in Book 2663 Page 489 of Official Records.

Also except all alumina, silica, fossils of all geological, ages, metal sand their compound, alkali, alkali earth, sand, clay, gravel, salts and mineral waters, together with the right of the State of California, to prospect for and remove such deposits and occupy the surface of said land for such purposes as provided in Section 6403 of Public Resources Code, effective October 19, 1947.

The State's rights to enter said land to a depth of 500 feet below the surface of said land has been quitclaimed by agreement recorded January 30, 1981, in Book 5348 Page 1917 of Official Records.

Parcel 2: APN 457-020-14-00-7, 457-020-16-00-3 & 457-020-25-00-9

All of Section 23 in Township 31 south, Range 39 east, Mount Diablo Meridian, in the County of Kern, State of California, according to the official plat thereof.

Except that portion lying within Tract No. 3281 as per map recorded in Book 19, Pages 1 to 20 inclusive of Maps, in the office of the County Recorder of said county.

Also except that portion of said land lying within Tract 3282 as per map recorded in Book 19 Pages 47 to 58, inclusive of Maps, in the office of the County Recorder of said county.

Also except therefrom the southeast quarter of said section.

Also except that portion of said land granted to James A. Riley and Barbara J. Riley, husband and wife, by deed recorded June 3, 1971 in Book 4532 Page 580 of Official Records, more particularly described as follows:

Beginning at the westerly terminus of that certain course described as having a bearing and length of south 78°06'34" west 1223.50 feet in the centerline of the 60 foot strip of land described Second in Parcel 1 of deed to California City Community Services District recorded as Document No. 26674 on May 13, 1966 in Book 3947 Page 271 of Official Records, in the Office of the County Recorder of Kern County, State of California, said westerly terminus being the beginning of a curve concave southeasterly, tangent to said certain course and having a radius of 125 feet; thence southwesterly along said curve through a central angle of 17°52'40", a distance of 39.00 feet; thence normal to said curve north 29°46'06" west 604.72 feet to the beginning of a tangent curve concave southwesterly having a radius of 400 feet; thence northwesterly along said curve through a central angle of 22°48'28" a distance of 159.23 feet; thence tangent to said curve north 52°34'34" west 360.00 feet; thence south 37°25'26" west 100.46 feet to the beginning of a tangent curve concave northwesterly having a radius of 300 feet; thence southwesterly along said curve through a central angle of 39°26'28" a distance of 206.51 feet; thence tangent to said curve south 76°51'54" west 334.35 feet to the beginning of a tangent curve concave southeasterly having a radius of 350 feet; thence southwesterly along said curve through a central angle of 17°58'01" a distance of 109.75 feet; thence tangent to said curve south 58°53'53" west 105.38 feet to the beginning of a tangent curve concave northwesterly having a radius of 300 feet; thence southwesterly along said curve through a central angle of 31°06'07" a distance of 162.85 feet; thence south 83°48'38" west 50.00 feet to the true point of beginning; thence continuing south 83°48'38" west 500.15 feet; thence south 14°28'01" west 272.45 feet; thence south 62°14'15" east 229.44 feet; thence east 400.00 feet; thence north 381.45 feet to a point in a non-tangent curve concave northeasterly having a radius of 50.00 feet; and passing through the true point of beginning, a radial line of said curve to said point bears south 13°51'08" west; thence northwesterly along said curve through a central angle of 69°57'30" a distance of 61.05 feet to the true point of beginning.

Also except 1/4th of all oil, gas and other minerals but without the right to enter any portion of said land lying above 500 feet below the surface, was quitclaimed to California City Development Company, recorded August 26, 1959 in Book 3183 Page 296 of Official Records.

Also except an undivided 1/2 interest in and to all oil, gas minerals and mineral rights within or underlying that portion of said land lying within the northwest quarter of said section, but without the right to enter any portion of said land lying above 500 feet below the surface thereof, as conveyed by deed dated March 20, 1970 from Great Western Cities Company, a California Corporation, recorded March 23, 1970 in Book 4380 Page 568 of Official Records.

Also except an undivided 1/2 interest of all oil, gas, petroleum, hydrocarbon substances within or underlying or that may be produced or saved from that portion of said land lying within the northeast quarter of said section, but without the right to enter any portion of said land lying above a depth of 500 feet below the surface thereof as conveyed by deed dated April 29, 1970 from Great Western Cities, Inc., a California Corporation to California City Development Company, a corporation, recorded April 29, 1970 in Book 4392 Page 916 of Official Records.

BILL OF SALE

FOURTH CLOSING: DATED JANUARY 8, 2019

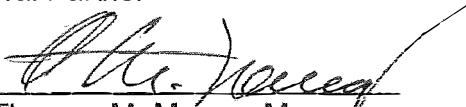
KNOW ALL MEN BY THESE PRESENTS:

That **SILVER SADDLE COMMERCIAL DEVELOPMENT, LP**, a California limited partnership (the "**SELLER**"), for and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration paid by **GALILEO COMMERCIAL PROPERTY OWNERS ASSOCIATION, INC.** a California non-profit corporation, with its principal place of business at 7635 N. San Fernando Rd. Suite A, Burbank, CA 91505 ("**PURCHASER**") has, subject in all respects to the terms and provisions of that certain Mortgage Loan Purchase Agreement January 8, 2019, by and between Seller and Purchaser (as amended, the "**AGREEMENT**"), including, without limitation, Seller's repurchase obligations in accordance with **Section 4.1(b)** of the Agreement, and in the manner set forth in the Agreement, bargained, transferred and sold, and by these presents does bargain, transfer, sell and convey to Purchaser, its successors and assigns, all right, title and interest, legal or equitable, in and to all of the Receivables (as such term is defined in the Agreement) described on **Schedule A** attached hereto and incorporated herein by this reference (the "**PURCHASED RECEIVABLES**").

SELLER:

**SILVER SADDLE
COMMERCIAL DEVELOPMENT, LP,**
a California Limited partnership

By: SSSD MANAGEMENT, LLC,
a Texas limited liability company,
its General Partner

By: 
Thomas M. Maney, Manager

Schedule A to Bill of Sale

Purchased Receivables

[See Attached List of Purchased Receivables]

PURCHASED RECEIVABLES
Schedule A

Account ID	Prior Loan ID	Deed of Trust Date	Recording Data #	Recording Date	Name	Balance as of 01/08/2019
524103085420	8-5420	08/04/18	218117388	09/06/18		\$25,198.20
524103085427	8-5427	08/05/18	218126362	09/26/18		\$22,390.62
524103085443	8-5443	08/18/18	218109961	08/22/18		\$25,428.06
524103085446	8-5446	08/18/18	218119904	09/12/18		\$25,521.64
524103085467	8-5467	09/01/18	218117396	09/06/18		\$25,521.64
524103085475	8-5475	09/02/18	218118002	09/07/18		\$25,521.64
524103085483	8-5483	09/09/18	218119908	09/12/18		\$25,521.64
524103085486	8-5486	09/15/18	218137416	10/17/18		\$25,592.00
524103085487	8-5487	09/15/18	218124570	09/21/18		\$25,521.64
524103085494	8-5494	09/22/18	218126372	09/26/18		\$25,521.64
524103085525	8-5525	10/20/18	218140460	10/24/18		\$25,521.64
524103085531	8-5531	10/27/18	218147493	11/08/18		\$25,521.64
Total						\$302,782.00

MORTGAGE LOAN PURCHASE AGREEMENT

THIS MORTGAGE LOAN PURCHASE AGREEMENT entered into to be effective as of January 8, 2019 is by and between SILVER SADDLE COMMERCIAL DEVELOPMENT, LP (the "Seller"), and GALILEO COMMERCIAL PROPERTY OWNERS ASSOCIATION, INC., a California nonprofit corporation (the "Purchaser").

WHEREAS, the Seller owns certain Mortgage Loans (as hereinafter defined) which Mortgage Loans are more particularly listed and described in Schedule A attached hereto and made a part hereof.

WHEREAS, the Seller and the Purchaser wish to set forth the terms pursuant to which the Mortgage Loans, excluding the servicing rights thereto, are to be sold by the Seller to the Purchaser.

WHEREAS, Equiant Financial Services Inc. ("**Equiant**") currently provides the servicing pursuant to a separate servicing agreement previously entered into by and between Seller and Equiant.

NOW, THEREFORE, in consideration of the foregoing, other good and valuable consideration, and the mutual terms and covenants contained herein, the parties hereto agree as follows:

ARTICLE I Definitions

AGREEMENT: This Mortgage Loan Purchase Agreement, as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms hereof.

CLOSING DATE: January 8, 2019.

CUT-OFF DATE: January 8, 2019.

GAAP: Generally applied accounting principles as in effect from time to time in the United States of America.

MORTGAGE: The mortgage, deed of trust or other instrument creating a first lien on the property securing a Mortgage Note.

MORTGAGE FILE: The mortgage documents listed in Section 3.1 pertaining to a particular Mortgage Loan and any additional documents required to be added to the Mortgage File pursuant to this Agreement.

MORTGAGE LOANS: The mortgage loans transferred, sold and conveyed by the Seller to the Purchaser, pursuant to this Agreement.

MORTGAGE NOTE: The original executed note or other evidence of indebtedness evidencing the indebtedness of a Mortgagor under a Mortgage Loan.

MORTGAGED PROPERTY: The underlying property securing a Mortgage Loan, which, with respect to a Cooperative Loan, is the related Coop Shares and Proprietary Lease.

MORTGAGOR: The obligor(s) on a Mortgage Note.

PURCHASE PRICE: \$302,782.00.

PURCHASER: THE GALILLO COMMERCIAL PROPERTY OWNERS ASSOCIATION, INC., a California non-profit corporation, in its capacity as purchaser of the Mortgage Loans from the Seller pursuant to this Agreement.

SELLER: SILVER SADDLE COMMERCIAL DEVELOPMENT, LP, a California limited partnership, and its successors and assigns, in its capacity as seller of the Mortgage Loans pursuant to this Agreement.

SERVICING AGREEMENT: The servicing agreement, by and between Silver Saddle Commercial Development LP, a California limited partnership and its assigns, as owner, and Equiant as servicer.

ARTICLE II Purchase and Sale

Section 2.1 PURCHASE PRICE. In consideration for the payment to it of the Purchase Price on the Closing Date, pursuant to written instructions delivered by the Seller to the Purchaser on the Closing Date, the Seller does hereby transfer, sell and convey to the Purchaser on the Closing Date, but with effect from the Cut-off Date, (i) all right, title and interest of the Seller in the Mortgage Loans, including the servicing rights thereto, and the deed of trust securing such Mortgage Loans, including all interest and principal received or receivable by the Seller with respect to the Mortgage Loans on or after the Cut-off Date and all interest and principal payments on the Mortgage Loans received on or prior to the Cut-off Date in respect of installments of interest and principal due thereafter, but not including payments of principal and interest due and payable on the Mortgage Loans on or before the Cut-off Date, (ii) all proceeds from the foregoing. Items (i) through (ii) in the preceding sentence are herein referred to collectively as "Mortgage Assets."

Section 2.2 TIMING. The sale of the Mortgage Assets hereunder shall take place on the Closing Date.

ARTICLE III
Conveyance and Delivery

Section 3.1 DELIVERY OF MORTGAGE FILES. In connection with the transfer and assignment set forth in Section 2.1 above, the Seller has delivered or caused to be delivered to Equiant or to the Custodian on its behalf the following documents or instruments with respect to each Mortgage Loan so assigned (collectively, the "Mortgage Files"):

- (a) (1) a copy of the Mortgage Note and an original allonge: "Pay to the order of GALILEO COMMERCIAL PROPERTY OWNERS ASSOCIATION, INC. a California non-profit corporation, with recourse, as set forth in that certain Mortgage Loan Purchase Agreement dated as of January 8, 2019, by and between SILVER SADDLE COMMERCIAL DEVELOPMENT, LP, a California limited partnership, and GALILEO COMMERCIAL PROPERTY OWNERS ASSOCIATION, INC. a California non-profit corporation.," with all intervening endorsements showing a complete chain of endorsement from the Seller to the person endorsing the Mortgage Note (each such endorsement being sufficient to transfer all right, title and interest of the party so endorsing, as noteholder or assignee thereof, in and to that Mortgage Note); or
 - (2) with respect to any lost Mortgage Note, a lost note affidavit from the Seller stating that the original Mortgage Note was lost or destroyed, together with a copy of such Mortgage Note;
- (b) except as provided below, the original recorded Mortgage Loan or a copy of such Mortgage certified by the Seller as being a true and complete copy of the Mortgage; and
- (b) a duly executed assignment of the Deed of Trust (which may be included in a blanket assignment or assignments), together with, except as provided below, all interim recorded assignments of such mortgage (each such assignment, when duly and validly completed, to be in recordable form and sufficient to effect the assignment of and transfer to the assignee thereof, under the Mortgage to which the assignment relates); provided that, if the related Mortgage has not been returned from the applicable public recording office, such assignment of the Mortgage may exclude the information to be provided by the recording office; and
- (c) a duly executed Bill of Sale, which when executed by the Seller will effect the conveyance of the Mortgage Loans to GALILEO COMMERCIAL PROPERTY OWNERS ASSOCIATION, INC. a California non-profit corporation.

ARTICLE IV
Representations and Warranties

Section 4.1 REPRESENTATIONS AND WARRANTIES OF THE SELLER.

(a) The Seller hereby represents and warrants to the Purchaser, as of the date of execution and delivery hereof, that:

(1) The Seller is duly organized California limited partnership and is validly existing under the laws of the State of California and is duly authorized and qualified to transact any and all business contemplated by this Agreement to be conducted by the Seller in any state in which a Mortgaged Property is located or is otherwise not required under applicable law to effect such qualification and, in any event, is in compliance with the doing business laws of any such state, to the extent necessary to ensure its ability to enforce each Mortgage Loan and to perform any of its other obligations under this Agreement in accordance with the terms thereof.

(2) The Seller has the requisite power and authority to sell each Mortgage Loan, and to execute, deliver and perform, and to enter into and consummate the transactions contemplated by this Agreement and has duly authorized by all necessary action on the part of the Seller the execution, delivery and performance of this Agreement; and this Agreement, assuming the due authorization, execution and delivery thereof by the other parties thereto, constitutes a legal, valid and binding obligation of the Seller, enforceable against the Seller in accordance with its terms, except that (a) the enforceability thereof may be limited by bankruptcy, insolvency, moratorium, receivership and other similar laws relating to creditors' rights generally or of creditors of depository institutions, the accounts of which are insured by the FDIC, and (b) the remedy of specific performance and injunctive and other forms of equitable relief may be subject to equitable defenses and to the discretion of the court before which any proceeding therefor may be brought.

(3) The execution and delivery of this Agreement by the Seller, the sale of the Mortgage Loans by the Seller under this Agreement, the consummation of any other of the transactions contemplated by this Agreement, and the fulfillment of or compliance with the terms thereof are in the ordinary course of business of the Seller and will not (a) result in a material breach of any term or provision of the charter or by-laws of the Seller or (b) materially conflict with, result in a material breach, violation or acceleration of, or result in a material default under, the terms of any other material agreement or instrument to which the Seller is a party or by which it may be bound.

(4) Except for the action initiated by the Commissioner of Business Oversight, no litigation is pending or, to the best of the Seller's knowledge,

threatened against the Seller that would prohibit the execution or delivery of, or performance under, this Agreement by the Seller.

(5) The Mortgage Loans are in good standing and fully enforceable against the Obligors identified there in upon the terms and conditions as set forth upon the face of the mortgage loan documents. The Mortgage Loans or fully collateralized by the Mortgaged Property and are collectible pursuant to the terms and conditions as set forth in the face thereof. There is no default or breach by the Seller or the Obligors in the performance of any obligations presently existing or which may arise in the future.

(b) Within 60 days of the earlier of either discovery by or notice to the Seller of any breach of a representation or warranty that materially and adversely affects the value of a Mortgage Loan or the interest of the Purchaser in such Mortgage Loan, the Seller shall use its best efforts promptly to cure such breach in all material respects. If such breach is not so cured, the Seller shall (i) remove such Mortgage Loan from Equiant and substitute in its place a replacement Mortgage Loan (a "Qualified Substitute Mortgage Loan or Loans"), in the manner and subject to the conditions set forth in this Section and the Pooling and Servicing Agreement; or (ii) repurchase the affected Mortgage Loan or Mortgage Loans from the Purchaser at the Purchase Price in the manner set forth in this Section. The Seller shall promptly reimburse the Purchaser for any actual out-of-pocket expenses reasonably incurred in respect of enforcing the remedies for such breach.

At the time of substitution or repurchase of any deficient Mortgage Loan, the Purchaser and Seller shall arrange for the reassignment of the deficient or repurchased Mortgage Loan to the Seller, and the delivery to the Seller of any documents held by the Seller relating to the deficient or repurchased Mortgage Loan. Upon such repurchase, the Mortgage Loan Schedule shall be amended to reflect the withdrawal of the repurchased Mortgage Loan from this Agreement and, if applicable, the substitution of the applicable Substitute Mortgage Loan or Loans.

As to any Mortgage Loan for which the Seller substitutes a Substitute Mortgage Loan or Loans, the Seller shall affect such substitution by delivering to the Purchaser or Equiant as its designee for such Substitute Mortgage Loan or Loans the Mortgage File and such other documents and agreements as are required by Equiant, with the Mortgage Note endorsed to Purchaser.

The amount, if any, by which (x) the aggregate principal balance of all such substitute Mortgage Loans as of the date of substitution is less than (y) the sum of the aggregate Principal Balance of all such Deleted Mortgage Loans (after application of the scheduled principal portion of the monthly payments due in the month of substitution) (the "Substitution Adjustment Amount") plus an amount equal to the aggregate of any unreimbursed advances with respect to such Deleted Mortgage Loans shall be deposited in the account of Purchaser by the Seller on or before the business day. Upon any such substitution, the custodian, shall

release the Mortgage File held for the benefit of the Seller relating to such Deleted Project Mortgage Loan and shall execute and deliver at the Seller's direction such instruments of transfer or assignment prepared by the Seller, in each case without recourse, as shall be necessary to transfer title to the Seller, or its designee, of the Purchaser's interest in any Deleted Mortgage Loan substituted pursuant to this Agreement. Upon such substitution, the Substitute Mortgage Loans shall be subject to the terms of this Agreement in all respects, and the Seller shall be deemed to have made with respect to such Substitute Mortgage Loan or Loans, as of the date of substitution, the covenants, representations and warranties set forth above. One or more mortgage loans may be substituted for one or more Deleted Mortgage Loans. The determination of whether a mortgage loan is a Qualified Substitute Mortgage Loan may be satisfied on an individual basis. Alternatively, if more than one mortgage loan is to be substituted for one or more Deleted Mortgage Loans, the characteristics of such mortgage loans and Deleted Mortgage Loans shall be aggregated or calculated on a weighted average basis, as applicable, in determining whether such mortgage loans are Qualified Substitute Mortgage Loans.

In the event that the Seller shall have repurchased a Mortgage Loan, the Purchase Price therefore shall be deposited in the Purchaser's account on or before the Business Day immediately preceding last day of the month following the month during which the Seller became obligated hereunder to repurchase or replace such Mortgage Loan and upon such deposit of the Purchase Price and receipt of a Request for Release, the custodian shall release the related shortage file held for the benefit of the Seller or its designee.

It is understood and agreed that the representations and warranties set forth above shall survive delivery of the respective Mortgage Files to the Purchaser.

It is understood and agreed that the obligations of the Seller set forth herein to cure, repurchase or substitute for a defective Mortgage Loan constitute the sole remedies of the Purchaser.

ARTICLE V Miscellaneous

Section 5.1 TRANSFER INTENDED AS SALE. It is the express intent of the parties hereto that the conveyance of the Mortgage Loans by the Seller to the Purchaser be, and be construed as, an absolute sale thereof in accordance with GAAP and for regulatory purposes. It is, further, not the intention of the parties that such conveyances be deemed a pledge thereof by the Seller to the Purchaser. However, in the event that, notwithstanding the intent of the parties, the Mortgage Loans are held to be the property of the Seller or the Purchaser, respectively, or if for any other reason this Agreement is held or deemed to create a security interest in such assets, then (i) this Agreement shall be deemed to be a security agreement within the meaning of the Uniform Commercial Code of the State of California and (ii) the conveyance of the Mortgage Loans provided

for in this Agreement shall be deemed to be an assignment and a grant by the Seller to the Purchaser of a security interest in all of the Mortgage Loans, whether now owned or hereafter acquired.

The Seller and the Purchaser shall, to the extent consistent with this Agreement, take such actions as may be necessary to ensure that, if this Agreement were deemed to create a security interest in the Mortgage Loans, such security interest would be deemed to be a perfected security interest of first priority under applicable law and will be maintained as such throughout the term of the Agreement. The Seller and the Purchaser shall arrange for filing any Uniform Commercial Code continuation statements in connection with any security interest granted hereby.

Section 5.2 SELLER'S CONSENT TO ASSIGNMENT. The Seller hereby acknowledges the Purchaser's right to assign, transfer and convey all of the Purchaser's rights under this Agreement to a third party and that the representations and warranties made to the Purchaser will, in the case of such assignment, transfer and conveyance, be for the benefit of such third party. The Seller hereby consents to such assignment, transfer and conveyance.

Section 5.3 SPECIFIC PERFORMANCE. Either party or its assignees may enforce specific performance of this Agreement.

Section 5.4 NOTICES. All notices, demands and requests that may be given or that are required to be given hereunder shall be sent by United States certified mail, postage prepaid, return receipt requested, to the parties at their respective addresses as follows:

If to the Purchaser:	THE GALILLO COMMERCIAL PROPERTY OWNERS ASSOC. INC., 7635 N. San Fernando Road, Ste. A Burbank, CA 91505
----------------------	--

If to the Seller:	7635 N. San Fernando Road, Ste. A Burbank, CA 91505 Attn: Tom Maney Tel. #: (818) 768-8808 Fax #: (818) 768-8838
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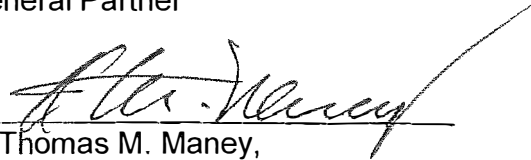
Section 5.5 CHOICE OF LAW. This Agreement shall be construed in accordance with and governed by the substantive laws of the State of California applicable to agreements made and to be performed in the State of California and the obligations, rights and remedies of the parties hereto shall be determined in accordance with such laws.

IN WITNESS WHEREOF, the Purchaser and the Seller have caused their names to be signed hereto by their respective officers thereunto duly authorized to be effective as of the earlier of the Cut-Off Date or the Closing Date.

SELLER:

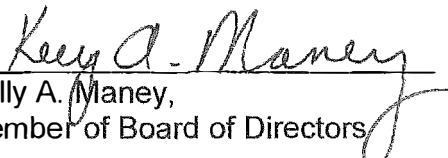
SILVER SADDLE COMMERCIAL
DEVELOPMENT, LP, as Seller

By: SSCD MANAGEMENT, LLC, a
Texas limited liability company,
its General Partner

By: 
Thomas M. Maney,
Manager

PURCHASER:

THE GALILEO COMMERCIAL
PROPERTY OWNERS ASSOCIATION,
INC., as Purchaser

By: 
Kelly A. Maney,
Member of Board of Directors

PURCHASED RECEIVABLES
Schedule A

Account ID	Prior Loan ID	Deed of Trust Date	Recording Data #	Recording Date	Name	Balance as of 01/08/2019
524103085420	8-5420	08/04/18	218117388	09/06/18	[REDACTED]	\$25,198.20
524103085427	8-5427	08/05/18	218126362	09/26/18		\$22,390.62
524103085443	8-5443	08/18/18	218109961	08/22/18		\$25,428.06
524103085446	8-5446	08/18/18	218119904	09/12/18		\$25,521.64
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524103085475	8-5475	09/02/18	218118002	09/07/18		\$25,521.64
524103085483	8-5483	09/09/18	218119908	09/12/18		\$25,521.64
524103085486	8-5486	09/15/18	218137416	10/17/18		\$25,592.00
524103085487	8-5487	09/15/18	218124570	09/21/18		\$25,521.64
524103085494	8-5494	09/22/18	218126372	09/26/18		\$25,521.64
524103085525	8-5525	10/20/18	218140460	10/24/18		\$25,521.64
524103085531	8-5531	10/27/18	218147493	11/08/18		\$25,521.64
Total						\$302,782.00

EXHIBIT 17



Maria Rosales <maria@ssrmail.net>

FW: Attached resent Lawyers representing [REDACTED] Pung unit #8-4512

2 messages

maria <maria@ssrmail.net>
To: Juna <juna@ssrmail.net>
Cc: thuy <thuy@ssrmail.net>

Fri, Sep 23, 2016 at 1:10 PM

Is this the cash deal their trying to save?

From: MARIA ROSALES [mailto:mrsrinfinit@hotmai.com]
Sent: Friday, September 23, 2016 12:46 PM
To: mariar@ssrmail.net
Subject: Fwd: Attached resent Lawyers representing [REDACTED] Pung unit #8-4512

Sent via the Samsung Galaxy S6 edge+, an AT&T 4G LTE smartphone

----- Original message -----

From: NILE ALLEN <NILEALLEN@hotmai.com>
Date: 9/23/2016 12:24 PM (GMT-08:00)
To: MARIA ROSALES <mrsrinfinit@hotmai.com>
Cc: Marian <rebrokermarian@aol.com>, Rick Huebner <rickhuebner@me.com>, Tom <tmaney831@gmai.com>, Juna <juna@ssrmail.net>, Thuy <thuy@ssrmail.net>
Subject: Attached resent Lawyers representing [REDACTED] Pung unit #8-4512

Hi Maria,


Here is a letter from Jane Szerman Law Office that came to me Certified stating they have filed a complaint to the DRE to investigate the Purchase of unit #8-4512 Phung...Please get our Lawyers on it...Let me know this is being attended to.

10/14/2019

Silver Saddle Ranch Mail - FW: Attached resent Lawyers representing [REDACTED] Pung unit #8-4512

Thanks,

Nile

 **Phung - 8-4512.pdf**
1204K

maria <maria@ssrmail.net>
To: Stephen Beals <sbeals@structurelaw.com>

Fri, Sep 23, 2016 at 1:29 PM

This is the deal that I spoke to you about yesterday.

Needs your attention.


Hi,

I'll call you in a while, I know you called.

Thank you,

Maria

[Quoted text hidden]

 **Phung - 8-4512.pdf**
1204K

LAW OFFICES OF JANE M. SZERMAN, Esq.
25129 The Old Road, Suite 100, Santa Clarita CA 91381
Phone (661) 296-2000 Facsimile (661) 291-2307

September 20, 2016

Marian Ducreux
Nile Allen Al-Mudarris
Silver Saddle Ranch & Club
7635 N San Fernando Rd., Ste A
Burbank, CA 91505

20751 Aristotle Drive
California City, CA 93504

8029 Sanctuary Drive
Corona, CA 92883

8840 Lupine Loop
California City, CA 93505

Re: [REDACTED] Phung and [REDACTED] Phung
Unit 8-4512

Ms. Decreux, and Mr. Al-Mudarris :

This office has been retained to represent the legal interests of Mr. and Mrs. Phung who attended one of your seminars earlier this month.

My clients, along with the other attendees were kept for a significant period of time and given a hard sales pitch for Silver Saddle Ranch. They were significantly misled as to many of the facts but were prevented from accessing outside information or even speaking to anyone outside your facility. In my research, I've found this is standard operating procedure for Silver Saddle Ranch.

My clients were also misled into believing that they had an agent representing their interests in the real estate transaction. No one was representing my clients' interests there, only their own.

My clients were unduly influenced into signing up to purchase property on that day. They immediately realized that they were taken advantage of and tried to cancel. They were told that they could not cancel their contract. The paperwork and contracts provided are beyond vague and confusing. They are contradictory in several places and entirely unenforceable.

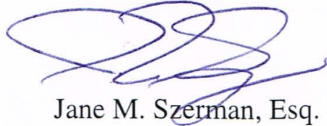
My clients were not treated fairly or honestly. To the extent those involved in this endeavor are licensed individuals, my clients are filing all appropriate complaints with the California Bureau of Real Estate. This behavior is unacceptable in general but certainly by licensed individuals who are held to a higher standard.

My clients have never used or received any products or services from Silver Saddle Ranch. My clients' "contract" must be cancelled and their money returned. That is the only way to mitigate

the damages that my clients have incurred by trusting the real estate licensees here. If not, my clients will also be filing suit for a return of their money.

Please return my clients' money immediately and forward this to your legal department for their review for the CalBRE investigation.

Sincerely,



Jane M. Szerman, Esq.

Cc: Mr. and Mrs. Phung

EXHIBIT 18



Marisol Ricacho <marisol@ssrmail.net>

RE: Crenshaw 8-3231 Cancellation DENIED

4 messages

Marisol <Marisol@ssrmail.net>

Wed, Nov 9, 2016 at 4:54 PM

To: [REDACTED]@hotmail.com

Cc: Thuy <thuy@ssrmail.net>, Juna <juna@ssrmail.net>, Maria Rosales <maria@ssrmail.net>, Nile Almudarris <nileallen@hotmail.com>

Hi [REDACTED],

Good afternoon to you too.

I am having our Accounting investigate further on the chargeback. The notification I sent you from Global was the last thing we received in regards to your dispute. If the decision was reversed, our office was not notified. Rest assure I will let you know of the result of the investigation.

"I have repeatedly told you on the phone that the sign up was a complete harassment and taking advantages of our weaknesses and I have told Nile a week after our visit (May 8th) there that I do not want to participate with your land banking. I do not want anything to do with Silver Saddle anymore so please stop sending me collection letters." Whether or not you felt you were harassed or taken advantage of, the ultimate decision was yours. If you said "no!", that is your right and we would not be able to force you to sign any documents. BUT, YOU DID. You were REPEATEDLY told that you cannot cancel and you will not be entitled to a refund. You signed and acknowledged that on the contract by way of your signature and initials that you were made aware of this. As such, you are LEGALLY bound to this contract and the delinquent letters will not stop until payments are made.

"You have my deposit money and now I am paying this which is against my will." To date, we have not received a payment from you, so I do not know what you are referring to when you said that you are "PAYING" for this against your will.

"Please do not threaten me regarding your Collection Department. I know my rights and my friend and I will seek legal advise if I don't get my deposit back soonest." My email to you in regards to collection was not a threat. I was simply informing you of the consequence of not paying your monthly dues. I will reiterate to you that with your signature and initials on the contract, you agreed and acknowledged that you signed a commercial transaction that do not involve any rights of cancellation and refund. Hence, if the investigation shows that we were granted the payment towards your deposit, please be advised that it will not be refunded to you.

I shall wait for the result of the investigation until further action. But whether or not the payment was granted back to us, the delinquent status of your account will not change until the monthly payments are made and the account is brought current.

Sincerely,

*Marisol Ricacho**Silver Saddle Ranch & Club, Inc.**7635 N. San Fernando Rd., Suite A**Burbank, CA 91505*

10/14/2019

Silver Saddle Ranch Mail - RE: Crenshaw 8-3231 Cancellation DENIED

tel. No. (818) 768-8806

Fax No. (818) 768-8838

Email: Marisol@ssrmail.net

From: [REDACTED]@hotmail.com]

Sent: Wednesday, November 09, 2016 2:32 PM

To: Marisol <Marisol@ssrmail.net>

Subject: Re: Crenshaw 8-3231

Hi Marisol,

Good afternoon!

I do know my bank paid you as it is in my statement . I called CapitalOne to verify if you are telling the truth that your company did not receive their payment. CapitalOne said that Silver Saddle submitted a rebuttal on July 7 and Visa awarded you the payment of \$2,198.00. You should check your bank records.

I have repeatedly told you on the phone that the sign up was a complete harassment and taking advantages of our weaknesses and I have told Niles a week after our visit (May 8th) there that I do not want to participate with your land banking . I do not want anything to do with Silver Saddle anymore so please stop sending me collection letters. You have my deposit money and now I am paying this which is against my will. If you cannot help me with this then you do not know exactly what we feel.

Please do not threaten me regarding your Collection Department. I know my rights and my friend and I will seek legal advise if I don't get my deposit back soonest.

Sincerely,

[REDACTED]

From: Marisol <Marisol@ssrmail.net>

Sent: Tuesday, November 8, 2016 10:18 AM

To: [REDACTED]@hotmail.com

Cc: Thuy; Juna; Maria Rosales

Subject: FW: Crenshaw 8-3231



Hi Catherine,

Did you check with your credit card to see if the money was returned to you? Per our last conversation, you were going to check with them (see email below and attachment).

At this point, I do not know what your intention is in regards to your investment. The contract you have signed cannot be cancelled, so you are legally bound to the contract. To date, we have not received any payments from you and the down payment you have made through your credit card was taken from us through the dispute.

Despite our efforts to make it known to you how important it is that you regularly make your payments, I am compelled to inform you that if no action is taken and your account continues to be delinquent, it will be forwarded to collections for handling.

Please contact me or reply back no later than Friday, November 11. My contact information is listed below.

Thank you,

Marisol Ricacho

Silver Saddle Ranch & Club, Inc.

7635 N. San Fernando Rd., Suite A

Burbank, CA 91505

Tel. No. (818) 768-8806

Fax No. (818) 768-8838

Email: Marisol@ssrmail.net

From: Marisol [<mailto:Marisol@ssrmail.net>]

Sent: Tuesday, November 01, 2016 5:07 PM

To: 'c [REDACTED]@hotmail.com' <c [REDACTED]@hotmail.com>

Subject: Crenshaw 8-3231

Mrs. Crenshaw,

I have attached the result of our rebuttal to your credit card dispute. The letter stated that we have been denied for our request, indicating that your down payment was returned to you by your credit card.

Sincerely,

Marisol Ricacho

Silver Saddle Ranch & Club, Inc.

7635 N. San Fernando Rd., Suite A

Burbank, CA 91505

Tel. No. (818) 768-8806

Fax No. (818) 768-8838

*Email: **Marisol@ssrmail.net***

Marisol <Marisol@ssrmail.net>

Thu, Nov 10, 2016 at 11:54 AM

To: [redacted]@hotmail.com>

Cc: Thuy <thuy@ssrmail.net>, Juna <juna@ssrmail.net>, Maria Rosales <maria@ssrmail.net>, Nile Almudarris <nileallen@hotmail.com>

Hello Ms. Crenshaw,

Please be advised that, as a result of further investigation on the chargeback, your credit card company credited back the monies on Jun 7, 2016 to Silver Saddle.

This has not changed the status of your account. Your account remains delinquent. Your payment was to start on August 30, 216. 3 months' worth of payments has been missed, totaling **\$595.50** (\$198.50/mo), and is now due immediately.

Unless you get back to me today or before the end of the day tomorrow, Friday, November 11 to set up some sort of a payment arrangement, your account will be forwarded to collections after tomorrow. Our office is close tomorrow, but you can send me an email reply and I will count that as timely.

You may send a cashier's check or money order payable to Silver Saddle Ranch & Club, Inc. Mail to 7635 N. San Fernando Rd., Top Floor, Suite A, Burbank, CA 91505, attention Marisol.

Sincerely,

Marisol Ricacho

Silver Saddle Ranch & Club, Inc.

7635 N. San Fernando Rd., Suite A

Burbank, CA 91505

Tel. No. (818) 768-8806

Fax No. (818) 768-8838

10/14/2019

Silver Saddle Ranch Mail - RE: Crenshaw 8-3231 Cancellation DENIED

Email: Marisol@ssrmail.net

[Quoted text hidden]

[REDACTED]@hotmail.com>
To: Marisol <Marisol@ssrmail.net>

Thu, Nov 10, 2016 at 1:32 PM

Marisol,

I do not know know which part you did not understand. I expressed my intention earlier after May 15th that "I Do Not want to participate with your land banking or any contract or transaction related to Silver Saddle"

How about if you tell your Sales people that once a person says "No" its a No and not hold the person for 6 hours! Also try googling Silver Saddle and you will see all the complaints filed about your company.

I do not have capacity to pay and God knows how many times we told your Sales people that we cannot afford it and that we're single moms and they insisted! It is very sad that there are still people out there who takes advantages of poor people.

This investment where people are invited for free stay and free food and never tells you what kind of stuff they sell , that alone is very shady. That is not allowed in United States, your company should know that.

If you cannot help me with my refund, let me have my peace back and stop sending me those ugly collection letters.

Sincerely,

[REDACTED]
[Quoted text hidden]

[Quoted text hidden]
[Quoted text hidden]
[Quoted text hidden]

<image001.jpg>

[Quoted text hidden]

Marisol <Marisol@ssrmail.net>

Thu, Nov 10, 2016 at 1:58 PM

To: [REDACTED]@hotmail.com>

Cc: Thuy <thuy@ssrmail.net>, Juna <juna@ssrmail.net>, Maria Rosales <maria@ssrmail.net>

[REDACTED]

Please be advised, based on your email below, that effective November 11, 2016, we will turn over your account to collections for handling.

Sincerely,

Marisol Ricacho

Silver Saddle Ranch & Club, Inc.

7635 N. San Fernando Rd., Suite A

Burbank, CA 91505

Tel. No. (818) 768-8806

Fax No. (818) 768-8838

Email: Marisol@ssrmail.net

<https://mail.google.com/mail/u/3?ik=2586a1b594&view=pt&search=all&permthid=thread-f%3A1550648432498691021&siml=msg-f%3A15505704775...> 5/6

EXHIBIT 19

10/14

10/14/2019

Silver Saddle Ranch Mail - FW: My land purchasing at SSRC



Maria Rosales <maria@ssrmail.net>

FW: My land purchasing at SSRC

1 message

maria <maria@ssrmail.net>
To: Marisol <Marisol@ssrmail.net>

Mon, Feb 22, 2016 at 8:53 AM

Good morning,

See me.

Thank you,

Maria

From: Clifford J. Reynolds [mailto:creynoldsssrc@aol.com]
Sent: Saturday, February 20, 2016 3:17 PM
To: maria@ssrmail.net; mrsrinfinit@hotmai.com
Subject: Fwd: My land purchasing at SSRC

Hi Maria,

Tom would like us to send this to collections right away, he is making threats about telling other unit owner and coming to the Sales Pavilion to complain and talk to us.

■ Hao I think his unit is 8-1737

Cliff

Clifford J. Reynolds
Managing Director
Silver Saddle Ranch & Club
20751 Aristotle Drive
P.O. Box 2518
California City, CA 93504
Phone 760-373-8617
Fax 760-373-1897

-----Original Message-----

From: ■ Hao <■@yahoo.com>
To: creynoldsssrc <creynoldsssrc@aol.com>
Sent: Wed, Feb 17, 2016 8:30 am
Subject: Fw: My land purchasing at SSRC

<https://mail.google.com/mail/u/0?ik=6702208b3f&view=pt&search=all&permthid=thread-f%3A1526894407642695264&simpl=msg-f%3A15268944076...> 1/6

10/14

10/14/2019

Silver Saddle Ranch Mail - FW: My land purchasing at SSRC

Good Morning Cliff,

It was nice to talk with you on the phone on 2/9. As you said, you would talk with other administration and call me back on 2/16. However, I did not receive your call yet.

Please advise a good time for us to talk on the phone so that I can get the updated information from you. Or you may send me an email.

■

On Wednesday, February 3, 2016 10:09 PM, ■ Hao <■■■■@yahoo.com> wrote:

OK, I will call you around 1PM on next Tuesday.

■ Hao

On Wednesday, February 3, 2016 8:47 AM, creynoldsssrc <creynoldsssrc@aol.com> wrote:

Dear Mr. Hao,

I am truly sorry that no one called you back and will talk to our staff as that is unacceptable. Either Sunday around 1 or 2 or Tuesday anytime after 11am would be good for me. Let me know which of these is best for you. I will be at the Ranch at 760-373-8617.

Thank you,

Cliff

Sent via the Samsung Galaxy S® 5 ACTIVE™, an AT&T 4G LTE smartphone

----- Original message -----

From: ■ Hao" <■■■■@yahoo.com>

<https://mail.google.com/mail/u/0?ik=6702208b3f&view=pt&search=all&permthid=thread-f%3A1526894407642695264&simpl=msg-f%3A15268944076...> 2/6

10/14

10/14/2019

Silver Saddle Ranch Mail - FW: My land purchasing at SSRC

Date: 2016/02/03 08:34 (GMT-08:00)
To: "Clifford J. Reynolds" <creynoldsssrc@aol.com>
Cc: [REDACTED]@yahoo.com
Subject: Re: My land purchasing at SSRC

Cliff,

Let's talk on phone. Let me know a good time and a phone number to call you. Normally I have free time on Tuesday and Thursday and weekends are definitely good for me too. I called SSRC multiple times last year and was always told someone would call me back. But no one ever called back. The attached is the news article about SSRC.

[REDACTED]

On Saturday, January 30, 2016 4:38 PM, Clifford J. Reynolds <creynoldsssrc@aol.com> wrote:

Dear Mr. Hao,

Please see the attached letter which goes over all of your concerns. Should you have any more questions, please do not hesitate to call me or email me.

Thank you,
Cliff

Clifford J. Reynolds
Managing Director
Silver Saddle Ranch & Club
20751 Aristotle Drive
P.O. Box 2518
California City, CA 93504
Phone 760-373-8617
Fax 760-373-1897

-----Original Message-----

From: [REDACTED] Hao <[REDACTED]@yahoo.com>
To: creynoldsssrc <creynoldsssrc@aol.com>
Cc: zuzu01 <[REDACTED]@yahoo.com>
Sent: Tue, Jan 26, 2016 10:55 pm
Subject: Re: Fw: My land purchasing at SSRC

Thank your reply, Mr. Reynolds,

I am waiting for your clarification.

[REDACTED]

10/14

10/14/2019

Silver Saddle Ranch Mail - FW: My land purchasing at SSRC

On Thursday, January 21, 2016 5:42 PM, creynoldsssrc <creynoldsssrc@aol.com> wrote:

Dear Mr. Hao,

I sincerely apologize for not getting back to you and i am truly thank you for re-emailing me as i did not get your original email and assume it must have gone to my spam/junk mail folder and was since deleted.

I will thoroughly go over your concerns and email you again soon. I really want to assure you that the Galileo Project is not a scam and i do apologize if there were any misunderstandings.

I will get back to you shortly.

Sincerely,

Clifford Reynolds

Sent via the Samsung Galaxy S® 5 ACTIVE™, an AT&T 4G LTE smartphone

----- Original message -----

From: "Hao" [REDACTED]@yahoo.com>

Date: 01/21/2016 1:48 PM (GMT-08:00)

To: Galileo Commercial Property Owners Association <creynoldsssrc@aol.com>

Cc: [REDACTED]@yahoo.com

Subject: Fw: My land purchasing at SSRC

Dear Mr. Reynolds,

I emailed you on December 27, 2015 about my land purchase at Silver Saddles, and have not received any response from you yet.

Now I am making my last request for you to respond my concerns. No matter what answer you offer to me, it will be fine. As soon as I hear from you, I shall know what I should do next.

If I won't receive your response by the end of this month, I will assume you won't address my concerns, which is not nice at all as a managing director doesn't address a land owner's concerns. Then how can the land owners trust their manager?

<https://mail.google.com/mail/u/0?ik=6702208b3f&view=pt&search=all&permthid=thread-f%3A1526894407642695264&simpl=msg-f%3A15268944076...> 4/6

10/14

10/14/2019

Silver Saddle Ranch Mail - FW: My land purchasing at SSRC

██████ Hao

On Sunday, December 27, 2015 1:57 PM, ████████ Hao <██████@yahoo.com> wrote:

Dear Mr. Reynolds,

I met you in Silver Saddle Ranch & Club (SSRC) owner annual meeting in Dec. After that meeting, I did some search about SSRC, and realized that I was misled for the land purchase by my agent Ms. Josephine Huang.

Firstly, when I purchased the land in June, 2015, she told me over 1730 out of the total 4000 Galileo Units were sold out then. However, from the information you provided to owners in the meeting. Until Dec 2015, the total sold units was even less than 1500.

Secondly, I was told that the SSRC resort is worth \$12 million, and owners can pay \$5 million to purchase this \$12 million resort when the owner number reaches to 2000. However, when I looked up the tax record of SSRC, the total value of SSRC property (including land, buildings, improvements and personal property) is only 1.7 million which was assessed in tax year 2012.

Thirdly, in 2005, a newspaper reported a SSRC scam of overcharging customers in land selling. After I read the news article, I realized I am another victim of SSRC.

Fourthly, I found out lots of complaints online about SSRC selling lands by overcharging the customers.

Fifthly, I looked up the lands very close to the address of SSRC. Clearly SSRC charges over 10-fold more for a similar size of land than others on the market.

Mr. Reynolds, based on the above information and many others I have not described here, I stopped my credit card payment to SSRC from this month, and request SSRC to fully refund my paid money. I do not want to disclose these types of information to other owners and potential buyers if we can solve this issue quickly and peacefully. Thanks for your help. My cell phone: ██████████

Happy new year!

██████ Hao

EXHIBIT 20



Juna Balmoja Moody <juna@ssrmail.net>

Fwd: : Cancelling the Contract

1 message

juna@ssrmail.net <juna@ssrmail.net>
To: Juna@ssrmail.net

Fri, Aug 28, 2015 at 10:24 AM

-----Original Message-----

From: juna@ssrmail.net [mailto:juna@ssrmail.net]
Sent: Friday, August 28, 2015 01:21 PM
To: Maria@ssrmail.net, thuy@ssrmail.net, shelley@ssrmail.net, marisol@ssrmail.net, jelly@ssrmail.net
Cc: Pedersenw@aol.com, kelly.liner@icloud.com
Subject: Fwd: Cancelling the Contract

FYI i spoke with the client [REDACTED] yesterday around 5pm and I told him that everyone is gone for the day so no one can help him with cancellation. But I told him that I will let Marian and Rick know that he called. He also mentioned that he cancelled before his escrow closed. He knows 8-1893 I believe and we cancelled that one so now he is claiming that we should let him cancel too.

JUNA

-----Original Message-----

From: Marlin Tajo [mailto:marlin.tajo@gmail.com]
Sent: Friday, August 28, 2015 01:52 AM
To: 'Marian'
Cc: 'Rick Huebner', 'Tom Maney', 'Shelley', 'juna', 'Maria Rossana Rosales'
Subject: Re: Cancelling the Contract

I have created an account with rip off report. It was easy as 1, 2, 3.

Of course, I did not post/file anything. I just want you to know that there is a way for us/the company to do some damage control.

I've also spoken to Maria regarding pulling up some records from Kern Data of lots sold (not necessarily by SSRC) in the same tracts as the "FREE LOTS" so we have some solid documentation/proof to show people who claim they're worthless or even before they go searching for information somewhere else.

Also, this cancellation issue is spreading like wildfire. I must agree that we have to be firm on NO CANCELLATION because allowing people to rescind invalidates our contract and will further ruin our credibility. Can you advise on what the SOP is so we can all handle them the same way?

I'd be happy to assist in addressing and resolving these issues.

Thanks,
Marlin

Sent from my iPhone

On Aug 27, 2015, at 10:16 PM, Marian <rebrokeremarian@aol.com> wrote:

I've been getting cancellations giving similar excuses lately. I believed these people have read our bad reviews from yelp & rip of online. They are using the word SCAM and threats regarding lawyers, district attorney's , Better Business Bureau and Department of real estate. Their emails have the same contents as if someone is advising them to say these threats. These buyers left the ranch happy and satisfied. We should do something about this before it gets even worst. I will provide you copies of the reviews this weekend. Also we should be uniform and firm on our stand about cancellation.

Please handle and advise!

10/14/2019

Silver Saddle Ranch Mail - Fwd: : Cancelling the Contract

Buyers:

1. [REDACTED]
2. [REDACTED]
3. [REDACTED]
4. [REDACTED]
5. [REDACTED]
6. [REDACTED]

Thanks,
Marian

Sent from my iPhone

Begin forwarded message:

From: Marian <rebrokermarian@aol.com>
Date: August 27, 2015 at 8:37:04 PM PDT
To: Marlin Tajo <marlin.tajo@gmail.com>
Subject: Fwd: Cancelling the Contract

Sent from my iPhone

Begin forwarded message:

From: [REDACTED] Dator <[\[REDACTED\]r@gmail.com](mailto:[REDACTED]r@gmail.com)>
Date: August 26, 2015 at 10:44:06 PM PDT
To: info@silversaddle.com, rebrokermarian@aol.com
Subject: Cancelling the Contract

TO WHOM IT MAY CONCERN:

I am writing this letter to tell you that I am cancelling the contract and do not want to be a part of this SCAM Galileo Project. My sister called last Monday, 8/24/15 and she spoke to Marlin Tajo who claims to be the one handling this kind of problem/or issues and told her that we cannot cancel the contract because we already signed it voluntarily. Yes, it was voluntary and nobody force us to do it but based on our understanding of the word "EXECUTION", it is upon we receive the escrow or land title.

WE are seeking legal advice on this matter and we file a complaint to the County of Los Angeles Department of Consumer and Business Affairs and if not settled we are going to file a complaint to the Department of Real Estate.

Undersigned:

[REDACTED] Dator

[REDACTED] Yumo

[REDACTED] Dator

EXHIBIT 21



Marisol Ricacho <marisol@ssrmail.net>

Options for Accounts in Financial difficulty

1 message

Marisol <Marisol@ssrmail.net>
To: Marisol <Marisol@ssrmail.net>

Mon, May 1, 2017 at 1:02 PM

The company never force people to pay, but there is a consequence when a breach of contract is raised. It is my obligation to make you aware of this that if payments are not made, we will have no other alternative but to forward your account to Collections for handling. So it is your decision to try and work something out to your benefit or not.

We do have options that you may want to consider:

- (1) You may find someone who can take over your payments. This arrangement will have to be between you and the person of your choice. They will need to fill out a Credit Application and we will need to approve this person as someone who is financially fit to take over the account. But please note that if this person defaults on your account, the company will go after you because you are the original Buyer of the investment.
- (2) Referral Program. You may earn referral money by referring customers to us. What you earn can be applied to your payments. This program is only for our clients whose accounts are in good standing with us. But if you feel that this might help you with your investment, I can speak to management to allow you to use this program to bring your account current. Let me know if this program interests you and, if management approves, I will email you the Referral Guidelines for you to review.
- (3) Some have found that because of the high interest on their loan, they're not able to commit to their payments. Unfortunately, the interest rate on your loan is fixed. It cannot increase, nor decrease. It will remain the same throughout your term. So to resolve this, some clients have found it beneficial to use credit card(s) or take up a loan from their bank, with lower interest rate, to pay off their loan. This affords them the freedom of just paying the minimum that the card requires every month if they're experiencing a shortage in funds. Once the loan is paid off, the owner is free to do whatever they want. They can choose to re-sell their unit if that is what they prefer.

These are just options that are available to you that you might want to look into.

Sincerely,

Marisol Ricacho

Silver Silver Saddle Ranch & Club, Inc.

7635 N. San Fernando Rd., Suite A

Burbank, CA 91505

Tel. No. (818) 768-8806

Fax No. (818) 768-8838

Email: Marisol@ssrmail.net

10/14/2019

Silver Saddle Ranch Mail - Options for Accounts in Financial difficulty

From: [REDACTED] Cervantes [mailto:[REDACTED]@gmail.com]
Sent: Wednesday, March 15, 2017 8:53 PM
To: Marisol <Marisol@ssrmail.net>
Subject: Re: Unit 8-2452 Cervantes

Ms. Marisol, we cannot continue and fulfill our obligation, we don't have enough money to pay. Our money is only enough to pay our everyday needs. I know its in the contract. But you cannot force people with no money to pay the said investment. Remember it is a lost in our part. Just forfeit it. I am so sorry.

On Fri, Mar 10, 2017 at 11:25 AM, Marisol <Marisol@ssrmail.net> wrote:

Hi [REDACTED],

There's no cancellation on the contract. It is clearly stated on the contract which you acknowledged by way of your signature and initials.

Your account has passed 90 days delinquency. It is currently 225 days delinquent with the total amount overdue of \$1,952.77. Unless your account is brought current, it will be forwarded to collections. We allow a payment arrangement.

Sincerely,

Marisol Ricacho

Silver Silver Saddle Ranch & Club, Inc.

7635 N . San Fernando Rd., Suite A

Burbank, CA 91505

Tel. No . (818) 768-8806

Fax No . (818) 768-8838

Email: Marisol@ssrmail.net

From: [REDACTED] Cervantes [mailto:[REDACTED]@gmail.com]
Sent: Friday, March 10, 2017 11:01 AM
To: Marisol <Marisol@ssrmail.net>
Subject: Re: Back out letter for investing in Galileo Projects

Hi Ms. Marisol,

I already send my back out letter to my agent and recruiter, last February. i hope they already receive and read it. Kindly forward my letter to your office, we cannot afford to continue and pay it. I hope you understand our situation right now. Thank you and more power to your good office.

On Thu, Mar 9, 2017 at 3:29 PM, Marisol <Marisol@ssrmail.net> wrote:

Hi [REDACTED]

I tried calling you but the number you left is not accepting calls.

Did you speak to your agent regarding your intent to cancel? Please advise.

Thank you,

Marisol Ricacho

Silver Silver Saddle Ranch & Club, Inc.

7635 N . San Fernando Rd., Suite A

Burbank, CA 91505

Tel. No . (818) 768-8806

Fax No . (818) 768-8838

Email: Marisol@ssrmail.net

From: Marisol [mailto:Marisol@ssrmail.net]
Sent: Thursday, February 23, 2017 3:33 PM
To: [REDACTED] Cervantes' [REDACTED] @gmail.com>
Subject: RE: Back out letter for investing in Galileo Projects

[REDACTED],

I printed out the letter attached to your initial email. But you will need to contact your agent first, or we cannot move forward on this. After you have spoken to your agent, your agent will be the one to contact us.

Thank you,

Marisol Ricacho

Silver Silver Saddle Ranch & Club, Inc.

7635 N . San Fernando Rd., Suite A

Burbank, CA 91505

Tel. No . (818) 768-8806

Fax No . (818) 768-8838

Email: Marisol@ssrmail.net

From: [REDACTED] Cervantes [mailto:[REDACTED]@gmail.com]
Sent: Thursday, February 23, 2017 2:57 PM
To: Marisol <Marisol@ssrmail.net>
Subject: Re: Back out letter for investing in Galileo Projects

Hi Ms. Marisol, Thank you for your time in reading and responding to my email. One more question, Do I need to submit my back out letter to your office in Burbank? Thanks and more power to your good office.

On Thu, Feb 23, 2017 at 11:33 AM, Marisol <Marisol@ssrmail.net> wrote:

Hello [REDACTED],

I received your email yesterday. I also read your attached letter that was sent in August 31, 2016. Unfortunately, we did not receive this letter as the letter was not addressed to us. Our Corporate office is in Burbank, CA. The letter was sent to Scottsdale, AZ. You may have sent it to your servicing company, Equiant. Equiant does not deal with cancellations of contracts. Those type of issues are addressed to us in our Burbank office.

Have you spoken to your agent? If not, I would suggest that you contact your agent first and speak to them in regards to your intent to cancel.

Thank you,

Marisol Ricacho

Silver Silver Saddle Ranch & Club, Inc.

7635 N . San Fernando Rd., Suite A

Burbank, CA 91505

Tel. No . (818) 768-8806

Fax No . (818) 768-8838

Email: Marisol@ssrmail.net

From: [REDACTED] Cervantes [mailto:[REDACTED]@gmail.com]

Sent: Wednesday, February 22, 2017 1:45 PM

To: Marisol@ssrmail.net

Subject: Back out letter for investing in Galileo Projects

Attached here is my back out, forfeiture letter send to your accounting department last August 31, 2016 and until they are still sending statement of account to the said investment. I am sorry I cannot continue that investment due to our financial problem. I hope you will understand our situation. Thank you and more power to your good office



Marisol Ricacho <marisol@ssrmail.net>

Question about Silver Saddle Ranch

5 messages

████████ Arciniega <████████@gmail.com>
To: marisol@ssrmail.net

Fri, Aug 17, 2018 at 4:52 PM

Hello Marisol,

My name is ██████ Arciniega and we wanted to cancel our unit contract. I understand we will lose all the money invested and that is fine with us. We simply do not wish to invest any more money.

I don't remember the unit number but maybe you can look it up with my name? My full name is ██████ Arciniega.

Let me know what I need to do to put this in process.

Thank you

Marisol Ricacho <marisol@ssrmail.net>

Mon, Aug 20, 2018 at 9:58 AM

To: ██████ Arciniega <████████@gmail.com>

Bcc: Thuy Le <thuy@ssrmail.net>, Maria Rosales <maria@ssrmail.net>, Debra Nicasro <debra@ssrmail.net>, Clover Chou <clover@ssrmail.net>, Valorie Festa <valorie@ssrmail.net>, Sabrina Ramirez <sabrina@ssrmail.net>, Kelly Maney <kelly.liner@icloud.com>, Marian And Assoc <rebrokermarian@aol.com>, jeff mcaree <Mackmcaree@gmail.com>

Hi Marvin,

The contract that you signed with Silver Saddle cannot be cancelled. By signing the contract, you have entered into a commercial transaction which does not include any rights to cancel or rescind. This is outlined on your contract and it was also explained to you by your agent on the day of your purchase.

Please take a moment to refer back to your copy of the contract:

- The 3rd paragraph on the **LandBanking Plus Undivided Interest Disclosure Statement** emphasizes that “this is a commercial transaction...you will not have the right of rescission or the right to revoke or rescind the contract after execution. You will not be entitled to a refund or return of any earnest money or down payment if you choose to terminate the transaction.” This was acknowledged by ALL BUYERS by their initials and signature.
- **Buyer's Acknowledgement of Representation**, item #4, states the following: “I/We understand that membership in the Silver Saddle Ranch and Club and the payment of dues/association maintenance fees as well as certain tax impounds are required as part of this purchase and will CONTINUE AS LONG AS I/WE ARE UNIT OWNERS...” This was initialed and the form signed by ALL BUYERS as a form of acknowledgment.
- **Buyer's Acknowledgment of Representation**, item #5, states the following: “I/We understand that there are a total of 4,000 units available in the Silver Saddle Commercial Development, LP and that I/We understand that this is a commercial transaction which does not involve any rights of rescission.” This was initialed and the form signed by ALL BUYERS as a form of acknowledgment.

Despite the “no-cancellation” policy on the contract, we have several options for you to consider instead:

(1) Payment Deferment: If you are experiencing financial hardship, we can temporarily suspend your payment for a short period of time to allow you to recover financially. You will need to send us a written request and explain why you need your account to be placed on a temporary hold, and include supporting documents, as well as any pertinent papers you feel that is relevant to your request. I will then present your case to upper management to determine how many months we can allow you to skip payments to give you some time to get back on your feet. Any skipped monthly payments will be placed at the end of your term, thus extending your term.

(2) You may find someone who can take over your payments. This arrangement will have to be between you and the person of your choice. They will need to fill out a Credit Application and we will need to approve this person as someone who is financially fit to take over the account. But please note that if this person defaults on your account, the company will still go after you because you are the original Buyer of the investment.

(3) Referral Program. You may earn referral money as an incentive for referring customers to us. What you earn can be applied to your payments. This program is only for our clients whose accounts are in good standing. If your account is delinquent, we will need to submit a request for approval from management to see if you qualify to participate in this program to help bring your account current. We have had customers whose accounts were seriously delinquent, but have been brought current with the help of this program. Let me know if this program interests you and, upon approval by management, I will email you the Referral Guidelines for you to review.

(4) Payoff: Some have found that because of the high interest on their loan, they're not able to commit to their payments. Unfortunately, the interest rate on your loan is fixed. It cannot increase, nor decrease. It will remain the same throughout your term. So to resolve this, some clients have found it beneficial to use credit card(s) or take up a loan from their bank, with lower interest rate, to pay off their loan. This affords them the freedom of just paying the minimum that the card requires every month if they're experiencing a shortage in funds. Once the loan is paid off, as the owner, you are free to do whatever you wish with the unit. You may choose to re-sell your unit for a profitable price, if that is what you prefer. But please note that if you wish to re-sell your unit, Silver Saddle Ranch & Club does not conduct any kind of resale program. You would need to locate your own purchaser or list the property for sale with an independent real estate broker.

Please be advised also that should you decide to stop making payments and your account defaults, your account will be sent to collections by the 90th day of delinquency.

For any questions or additional information, my contact information is listed below.

Sincerely,

Marisol Ricacho, Project Coordinator/Lead Collections Specialist

Silver Saddle Ranch & Club, Inc.

7635 N. San Fernando Rd., Top Floor, Suite A

Burbank, CA 91505

Phone: (818) 768-8806

Fax: (818) 768-8838

10/14/2019

Silver Saddle Ranch Mail - Question about Silver Saddle Ranch

[Quoted text hidden]

Arciniega <[REDACTED]@gmail.com>
To: marisol@ssrmail.net

Mon, Aug 20, 2018 at 10:04 AM

Can I get a copy of the original contract please? The one we signed...
[Quoted text hidden]

Kelly Maney <kelly.liner@icloud.com>
To: Marisol Ricacho <marisol@ssrmail.net>

Mon, Aug 20, 2018 at 10:09 AM

Thanks Marisol. This is great.

Best,

Kelly
[Quoted text hidden]

Marisol Ricacho <marisol@ssrmail.net>
To: Kelly Maney <kelly.liner@icloud.com>

Mon, Aug 20, 2018 at 10:09 AM

You're welcome.

Marisol Ricacho, Project Coordinator/Lead Collections Specialist

Silver Saddle Ranch & Club, Inc.

7635 N. San Fernando Rd., Top Floor, Suite A

Burbank, CA 91505

Phone: (818) 768-8806

Fax: (818) 768-8838

[Quoted text hidden]

EXHIBIT 22



Marisol Ricacho <marisol@ssrmail.net>

Chargeback Log

6 messages

Marisol Ricacho <marisol@ssrmail.net>
To: Peter Prisacarou <peter@ssrmail.net>
Cc: Thuy Le <thuy@ssrmail.net>

Fri, Jan 25, 2019 at 2:27 PM

Hi Peter,

I created a chargeback log. We do not have the outcome on some of these accounts. Can you please fill in the comments part with the outcome of the chargeback? Please use red font so that I can easily spot them and transfer them to our shared drive.

When you are done, I will maintain the log for reference.

Thank you,

Marisol Ricacho

Project Coordinator/Lead Collections Specialist

Silver Saddle Ranch & Club, Inc.

7635 N. San Fernando Rd., Top Floor, Suite A

Burbank, CA 91505

Phone: (818) 768-8806

Fax: (818) 768-8838

 **Chargeback Log.xlsx**
23K

Peter Prisacarou <peter@ssrmail.net>
To: Marisol Ricacho <marisol@ssrmail.net>
Cc: Thuy Le <thuy@ssrmail.net>

Fri, Jan 25, 2019 at 3:26 PM

Hi Marisol,
I already have a spreadsheet with notes on all chargebacks/disputes/retrieval requests I worked on, both GP & Amex, now it is a matter of matching your entries with mine.

Thank you!
Peter

10/14/2019

Silver Saddle Ranch Mail - Chargeback Log

Silver Saddle Ranch & Club
20751 Aristotle Drive
California City, CA 93505
phone: (760) 373 5581
cell: (760) 338 9443
fax: (760) 284 6398

[Quoted text hidden]

Marisol Ricacho <marisol@ssrmail.net>
To: Peter Prisacarou <peter@ssrmail.net>
Cc: Thuy Le <thuy@ssrmail.net>

Fri, Jan 25, 2019 at 3:28 PM

Thank you Peter.

Marisol Ricacho

Project Coordinator/Lead Collections Specialist

Silver Saddle Ranch & Club, Inc.

7635 N. San Fernando Rd., Top Floor, Suite A

Burbank, CA 91505

Phone: (818) 768-8806

Fax: (818) 768-8838

[Quoted text hidden]

Peter Prisacarou <peter@ssrmail.net> Thu, Jan 31, 2019 at 1:24 PM
To: Marisol Ricacho <marisol@ssrmail.net>
Cc: Kelly Maney <kelly@ssrmail.net>, Debra Nicastro <debra@ssrmail.net>, Tom Maney <tmaney831@gmail.com>, Maria Rosales <maria@ssrmail.net>, Thuy Le <thuy@ssrmail.net>

Hi Marisol,

To summarize last year's chargebacks/retrieval requests activity: it was a great year. We were able to regain control and preempt losses of funds in excess of \$250,000. The amount recovered would have been even larger if proper procedures and forms would have been implemented and/or used accordingly. From what I understood though, we are moving in the right direction.

The advice and insight received from Kelly and the constant assistance provided by you, Marisol, have been priceless. Thank you both!

I updated the spreadsheet, please see attached.

Thanks again!
Peter

Silver Saddle Ranch & Club
20751 Aristotle Drive
California City, CA 93505
phone: (760) 373 5581
cell: (760) 338 9443
fax: (760) 284 6398

10/14/2019

Silver Saddle Ranch Mail - Chargeback Log

[Quoted text hidden]

 **Chargeback Log - Revised 1.31.19.xlsx**
25K

Marisol Ricacho <marisol@ssrmail.net>

Thu, Jan 31, 2019 at 1:38 PM

To: Peter Prisacarou <peter@ssrmail.net>

Cc: Kelly Maney <kelly@ssrmail.net>, Debra Nicaastro <debra@ssrmail.net>, Tom Maney <tmaney831@gmail.com>, Maria Rosales <maria@ssrmail.net>, Thuy Le <thuy@ssrmail.net>

Thank you Peter

[Quoted text hidden]

Kelly Maney <kelly@ssrmail.net>

Thu, Jan 31, 2019 at 2:50 PM

To: Peter Prisacarou <peter@ssrmail.net>

Cc: Marisol Ricacho <marisol@ssrmail.net>, Debra Nicaastro <debra@ssrmail.net>, Tom Maney <tmaney831@gmail.com>, Maria Rosales <maria@ssrmail.net>, Thuy Le <thuy@ssrmail.net>

Hi Peter,

Thank you for this. It is extremely helpful. I will use it to update my cancellation spreadsheet.

Thanks again,

Kelly

[Quoted text hidden]

[Quoted text hidden]

<Chargeback Log - Revised 1.31.19.xlsx>



Kelly Maney <kelly@ssrmail.net>

Re: Case No 7827600345 - Second Chargeback & Arbitration

10 messages

Kelly Maney <kelly@ssrmail.net>
To: Peter Prisacarou <peterpssrc@gmail.com>

Tue, Nov 20, 2018 at 10:28 AM

Hi Peter,

I am sorry that I forgot to get back to you on this. I talked to Debra, but I need to ask Tom. I couldn't get in touch with him immediately, and then when I did talk to him, I forgot to ask!

I apologize. Will get back to you asap.

Thanks,

Kelly

On Nov 20, 2018, at 8:38 AM, Peter Prisacarou <peterpssrc@gmail.com> wrote:

Hi Kelly,

I am sorry to bother you again regarding this case. Please let me know if you have an update on the best course of action for this pre-arbitration.

Thank you!
Peter

Silver Saddle Ranch & Club
20751 Aristotle Drive
California City, CA 93505
phone: (760) 373 5581
cell: (760) 338 9443
fax: (760) 284 6398

On Fri, Nov 16, 2018 at 9:47 AM Kelly Maney <kelly.liner@icloud.com> wrote:

Hi Peter,

I will see what Tom says. I will get back to you today.

Thanks,

Kelly

On Nov 16, 2018, at 9:00 AM, Peter Prisacarou <peterpssrc@gmail.com> wrote:

Hi Kelly,

We received a second chargeback for the down payment of unit 8-5484. Our credit card processor, Global Payments, provided our documentation to the issuer but the cardholder continues disputing the charge, please see attached.

The buyer claims that he is protected by the 3 day rescission period that comes with the sale of undivided interests subdivisions but that does not apply to zones limited to industrial and commercial uses.

Of course, as always, we are vulnerable to the 14 day rescission period offered by card networks when dealing with the sale of timeshares (we process our down payments using an inadequate Merchant Category Code, 7011 - Lodging).

10/14/2019

Silver Saddle Ranch Mail - Re: Case No 7827600345 - Second Chargeback & Arbitration

If we do arbitrate with Mastercard we have a reasonable chance for a favorable decision but the buyer is threatening us with a lawsuit and SEC. I have attached for your review buyer's response to his issuing bank.

Please advise.

Thank you!
Peter

Silver Saddle Ranch & Club
20751 Aristotle Drive
California City, CA 93505
phone: (760) 373 5581
cell: (760) 338 9443
fax: (760) 284 6398

<MerchantNotificationCaseNo 7827600345 - Second Chargeback.pdf><RMW0285322193
- 7827600345.pdf>

Peter Prisacarou <peterpssrc@gmail.com>
To: kelly@ssrmail.net

Tue, Nov 20, 2018 at 10:31 AM

Thank you Kelly, much appreciated!

Peter
Silver Saddle Ranch & Club
20751 Aristotle Drive
California City, CA 93505
phone: (760) 373 5581
cell: (760) 338 9443
fax: (760) 284 6398

[Quoted text hidden]

Kelly Maney <kelly@ssrmail.net>
To: Peter Prisacarou <peterpssrc@gmail.com>

Tue, Nov 20, 2018 at 10:45 AM

Hi Peter,

We want to let these folks out of the contract, but I don't want it to look like we did anything wrong. They emailed Josephine Huang to cancel the day after they purchased, and we pulled the documents from recording and did not pay Josephine.

We think that it is fine to give these folks their money back, but I am not sure if we should fight the dispute and win it, and then write a check to the customer? Do you think that that would be a good route to go? Let me know your opinion on how to refund these folks without it impacting Silver Saddle negatively.

Thanks,

Kelly
[Quoted text hidden]

Kelly Maney <kelly@ssrmail.net>
To: Peter Prisacarou <peterpssrc@gmail.com>

Tue, Nov 20, 2018 at 1:08 PM

Hi Peter,

Your emails are great. Very informative. I need to know about this stuff, so thank you for the explanation. The sales agent, Josephine Huang, claims that all of her Chinese customers communicate on social media and the word is out that if they simply threaten to hire a lawyer, then Silver Saddle will give them their money back. She claims that they are empty

<https://mail.google.com/mail/u/5?ik=732a5be51c&view=pt&search=all&permthid=thread-f%3A1617678605400558409&simpl=msg-f%3A16176786054...> 2/5

10/14/2019

Silver Saddle Ranch Mail - Re: Case No 7827600345 - Second Chargeback & Arbitration

threats and that they won't actually hire one. Nevertheless, I don't think that if someone is really set on canceling, and they tell us before the deed records, that we should force them into the contract. But that is another story and another problem that you don't have to solve.

Okay, so now that I understand a bit more, I think that it is better to forgo submitting the 2nd rebuttal and to let the customers keep their down payment funds. You're correct that our goal is to recuperate the funds just so that we can refund them.

I will double check with Debbie, but I see that as the best plan for right now. Do you need to know by 3pm or so? I will contact her asap.

Thanks,

Kelly

On Nov 20, 2018, at 12:33 PM, Peter Prisacarou <peterpssrc@gmail.com> wrote:

Hi Kelly,

Once this second chargeback hit us the funds have been debited from our account. We did get the money back for the first dispute but the client pushed his issuing bank for a second chargeback that will trigger an arbitration. As of now, the funds have been returned to the cardholder. We can submit a second rebuttal and a signed waiver through which we accept the costs of an adverse arbitration decision or we can stop pursuing this case.

What does not work in our favor is the 14 day rescission period offered by card networks for all timeshare transactions. As I previously mentioned, our credit card merchant account has been created some 20 years ago under Merchant Category Code 7011: Lodging – Hotels, Motels, Resorts, Central Reservation Services (not elsewhere classified). What is expected of a merchant using that code is to execute hotel bookings. Accepting down payments under our current classification makes us vulnerable to disputes in which the cardholder claims that he/she attempted to cancel the purchase within 14 days from transaction date. We had two identical arbitrations this year, in both cases the issuing banks made the 14 day rescission argument in front of the Visa's Compliance and Arbitration Committee. Even though the documentation and the supporting letters presented by me were identical for both cases, we did lose one arbitration case. The second case was won when the committee decided that the initialed and signed Buyer's Acknowledgment of Representation, paragraph 5, "I/We understand that this is a commercial transaction which does not involve any rights of rescission" trumps the 14 day rule. So, based on my experience, I see the arbitration process as having a 50% chance of success. Given that the amounts in play are down payments of more than \$6,000 I see risking \$500 for a lost arbitration way within the profitability margin. Of course, that changes if the final goal is to recuperate the funds just so we can refund them.

The main reason I asked for your input in this case is related to buyer's determination to get the charges returned through a lawsuit and/or regulatory agencies. I have to mention that the image cost of having an unanswered pre-arbitration is minimal, especially when compared to the alternatives as they relate to this particular case. It is true, having an unanswered chargeback is not helping us as we tacitly and implicitly accept liability in front of the issuing bank, but it might be the best decision in this case. This is a delicate matter, you have the bigger picture and are able to decide what is worth pursuing and what is not, hence my annoying emails for which I apologize.

Please let me know how you want me to proceed.

Thank you!
Peter

Silver Saddle Ranch & Club
20751 Aristotle Drive
California City, CA 93505
phone: (760) 373 5581
cell: (760) 338 9443
fax: (760) 284 6398

[Quoted text hidden]

10/14/2019

Silver Saddle Ranch Mail - Re: Case No 7827600345 - Second Chargeback & Arbitration

Kelly Maney <kelly@ssrmail.net>
To: Debra Nicaastro <Debra@ssrmail.net>

Tue, Nov 20, 2018 at 1:11 PM

Hi Deb,

Sorry to forward you this long email from Peter. It is long, but actually quite informative. Although, I am sure that you already know all of this stuff. Can you approve that we let Josephine's clients win the dispute and approve that we will not file a 2nd rebuttal to get the down payment back? We were going to give them their money back anyway because we pulled the deed from recording and we didn't pay Josephine. (This is regarding the same case that we emailed about last week).

I just need a quick yes or no.

Thanks,

Kelly

Begin forwarded message:
[Quoted text hidden]

Debra Nicaastro <debra@ssrmail.net>
To: Kelly Maney <kelly@ssrmail.net>

Tue, Nov 20, 2018 at 1:12 PM

I say, Yes.
I will go back read Peter's email in a bit for any edification.

Thx,
Deb
[Quoted text hidden]

--

Debra Nicaastro
Director of Operations
Silver Saddle Ranch & Club, Inc.
7635 N. San Fernando Road
Suite A - Top Floor
Burbank, CA 91505
(818) 768-8808
Fax (818) 768-8838

Peter Prisacarou <peterpssrc@gmail.com>
To: kelly@ssrmail.net

Tue, Nov 20, 2018 at 1:26 PM

Hi Kelly,
Thank you for your fast reply. There is no rush, Friday is the last day before the 25th during which I can get in touch by phone with Global Payments Chargeback Department so I can request a waiver.

Thanks again!
Peter

Silver Saddle Ranch & Club
20751 Aristotle Drive
California City, CA 93505
phone: (760) 373 5581
cell: (760) 338 9443
fax: (760) 284 6398

[Quoted text hidden]

10/14/2019

Silver Saddle Ranch Mail - Re: Case No 7827600345 - Second Chargeback & Arbitration

Kelly Maney <kelly@ssrmail.net>
To: Debra Nicasro <debra@ssrmail.net>

Tue, Nov 20, 2018 at 1:33 PM

Perfect! Thank you.

Kelly

[Quoted text hidden]

Kelly Maney <kelly@ssrmail.net>
To: Peter Prisacarou <peterpssrc@gmail.com>

Tue, Nov 20, 2018 at 1:36 PM

Hi Peter,

Okay so I emailed with Debbie and she agrees with you and me that we should just let them keep the funds and NOT submit a second rebuttal. Thank you for your advice and input.

Let me know if you need anything else. I can inform Marisol about this decision.

Best,

Kelly

[Quoted text hidden]

Peter Prisacarou <peterpssrc@gmail.com>
To: kelly@ssrmail.net

Tue, Nov 20, 2018 at 1:41 PM

Hi Kelly,
Will do.

Thank you!
Peter

Silver Saddle Ranch & Club
20751 Aristotle Drive
California City, CA 93505
phone: (760) 373 5581
cell: (760) 338 9443
fax: (760) 284 6398

[Quoted text hidden]

EXHIBIT 23

*People of the State of California, by and through the Commissioner of Business Oversight v.
Silver Saddle Commercial Development, LP, et al.*
Receivership Initial Accounting Records Review
Lisa Jones, CIRA, CFE
October 14, 2019

On September 26, 2019, I gained access to the online QuickBooks records for Silver Saddle Commercial Development, LP (“SS Development”), Silver Saddle Ranch & Club, Inc. (“the Ranch”), and Galileo Commercial Property Owners Association, Inc. (“the Association”) and collectively, “Receivership Defendants”). While Receivership Defendants had a separate online QuickBooks file for each entity, the QuickBooks records appear to be incomplete and contained limited information. I also obtained some of Receivership Defendants’ bank statements. Below is my preliminary analysis of the Receivership Defendants’ financial records.

Per my discussions with management and an administrative employee, I learned that a recent attempt was made to reconcile the bank accounts and update the accounting records. I have found a number of reconciling and adjusting journal entries, but have not found the supporting data for many of the entries. Based on the state of records, this analysis will rely heavily on the bank records, with QuickBooks data as a secondary source of information.

Defendants developed a program, known as the Galileo Project, where undivided fractional interests, referred to “units”, in real property were sold to investors, known as the Galileo Project. The sale of the units began in 2011 and ended in late 2018. Investors purchased undivided fractional interests in the Galileo Project, which is comprised of approximately 1,020 acres of vacant, commercial desert land located in California City, California. The interests consisted of 4,000 units, sold as full units, half units, and quarter units. Buyers could make a 20% down payment and finance the remainder over a ten year period, with an interest rate of, usually, over 15%.

Investors were required to contribute to the Capital Improvement Fund (“CIF”) – \$2,000 for investors who purchased full units; \$1,000 for investors who purchased half units, and \$500 for investors who purchased quarter units. At the time of purchase, along with their down payment, investors were required pay a minimum of 20% of the CIF contribution – \$400, \$200, or \$100, leaving an outstanding balance of \$1,600, \$800, or \$400, respectively. The outstanding balance would be collected in monthly installments over a 10 year period. However, investors were also allowed to pay the full contribution amount in full at any time.

Once investors purchased a whole or incremental unit, they became members of the Silver Saddle Ranch & Club, a members-only facility. In addition to the required CIF contributions, investors had to pay dues and assessments for general costs of maintenance of the property and the Ranch membership. The membership dues and assessments were \$480 per year or \$40 per month. A \$1 monthly fee was added as an offset for property taxes. According to the Declaration of Covenants, Conditions and Restrictions, the annual fees were to be split between the Association and SS Development, as compensation for the Ranch membership. SS Development would receive \$320, or 67% of the annual fees collected, and the Association would receive \$160, or 33% of the annual fees collected. However, without extensive reconciliation, it is difficult to determine if the funds from membership dues were properly

allocated, as there is little to no historical accounting data or documentation regarding the deposits and withdrawals from the Association bank accounts.

Per a Master Unit Log maintained by the Defendants, the whole unit interests ranged in sale price from \$9,990 to \$31,990, with an average price of \$20,850 per whole unit. The half units ranged in sale price from \$8,990 to \$21,990, with an average sale price of \$12,586.77. The quarter unit sale price ranged from \$4,000 to \$15,900, with an average sale price of \$8,469.

SS Development utilized the services of Equiant, an accounts receivable servicing company, to collect the notes receivable. Equiant remitted the payments on a monthly or bi-monthly basis. Some investors would mail checks directly or make payments to the Ranch or SS Development via credit card.

1. Galileo Commercial Property Owners Association

a. Frost Bank

In December 2011, the Association opened two bank accounts at Frost Bank, an Improvement Fund Account and an Operating Account. When these two accounts were closed in October 2018, their balances were \$2,764.81 and \$682.75, respectively. Although the bank accounts were opened in 2011, the Association QuickBooks' file only has entries from December 31, 2017 through September 16, 2019. This preliminary analysis is based on the limited QuickBooks data and bank account statements, which includes information that was not recorded in QuickBooks.

In November 2015, SS Development entered into an agreement with Equiant Financial Services Inc. ("Equiant"), an accounts receivable servicing company, to manage the collection of the loan, membership fee, and CIF payments. While Equiant typically processed investor payments, some investors paid SS Development directly. For those investors who paid SS Development directly, I understand that those payments were entered into the Equiant payment database; therefore, the Equiant reports should show the total collections.

Based on Equiant reports, in 2016, investors paid \$60,024 in membership dues. Based on the CC&Rs, there should have been a deposit of \$19,808 representing 33% of the membership fee payments allocated to the Association. However, there were no corresponding deposits or transfers into either of the Association accounts in 2016 or early 2017. Also in 2016, investors paid \$92,497.80 in CIF contributions. However, there was not a corresponding deposit into the Association's Improvement Fund Account of \$92,497.80 representing investors' 2016 CIF contributions.

The Association's Improvement Fund Account was primarily funded by transfers from the Ranch's Operating Account. Between December 2011 and May 2014, \$399,758 was transferred from the Ranch's Operating Account to the Association's Improvement Fund

Account.¹ However, also during this period, \$375,503 was transferred from the Association’s Improvement Fund Account to the Ranch’s Operating Account. An additional transfer of \$25,000 was sent to SS Development’s account. Between December 2011 and May 2014, the Association transferred a total of \$400,503 to the Ranch and SS Development. While the Association’s Improvement Fund Account received a total of \$404,186, nearly all (99%) of those funds were transferred to the Ranch and SS Development accounts.

Neither the investors’ CIF contributions nor 33% of their membership dues remained in the Association’s accounts. When the Association’s accounts were closed in October 2018, the remaining funds of \$3,447.56 were deposited into the Association’s account at Mission Bank. The charts below detail the transfers for the two Frost Bank accounts, the Improvement Fund Account and the Operating Account.

Galileo Commercial Property Owners Association		
Frost Bank		
Improvement Fund Account		
Period November 2011 through October 2018		
<u>Deposits</u>	<u>Total</u>	
Transfer from Frost Bank-SSRC Operating Account	399,758.01	
Transfer from Frost Bank-SSCD account	2,800.00	
Transfer from unknown account	1,000.00	
Investor payments	627.53	
Total Deposits		404,185.54
<u>Withdrawals</u>		
Transfer to Frost Bank-SSRC Operating Account	(375,503.48)	
Transfer to Frost Bank-SSCD account	(25,000.00)	
Transfer to Mission Bank-GCPOA account	(2,764.81)	
Operating Expenses	(917.25)	
Total Withdrawals		(404,185.54)
Ending Balance		\$0.00

¹ The Association’s Improvement Fund Account also received two deposits from investors – one in May 2017 and the other in June 2017, totaling \$627.53.

Galileo Commercial Property Owners Association		
Frost Bank		
Operating Account		
Period November 2011 through October 2018		
<u>Deposits</u>	<u>Total</u>	
Transfer from Frost Bank-SSRC Operating Account	4,200.00	
Total Deposits		4,200.00
<u>Withdrawals</u>		
Operating Expenses	(3,517.25)	
Transfer to Mission Bank-GCPOA account	(682.75)	
Total Withdrawals		(4,200.00)
Ending Balance		<u>\$0.00</u>

b. Mission Bank

In April 2018, the Association opened a new bank account at Mission Bank. Beginning in June 2018, SS Development and the Ranch transferred investors’ membership dues and CIF contributions to the Association’s Mission Bank account. After the Association acquired investors’ promissory notes, investors’ loan payments were also deposited into this account.

In June 2018, a consultant was hired to reconcile CIF contributions and determine the total amount investors contributed to CIF. Beginning in June 2018, investors’ CIF contributions were transferred to the Association’s Mission Bank account on a regular monthly basis.

In February and April 2019, the Association transferred funds to the Ranch to reimburse expenses paid by SS Development on behalf of the Association. The expenses included Equiant’s fees, tax payments, tax return preparation services, and the Association mailer production and postage costs. In May 2019, the Association transferred \$63,543 to the Ranch to reimburse membership dues. As of June 30, 2019, the balance in the Association’s Mission Bank account was \$452,730.56. A chart detailing the deposits and withdrawals from the Association’s Mission Bank account is below.

Galileo Commercial Property Owners Association		
Mission Bank		
Period April 2018 through June 2019		
<u>Deposits</u>	<u>Total</u>	
Opening Deposit	250.00	
Wire transfer from Chase Bank/Equiant (Investor Payments)	704,880.73	
Transfer from Mission Bank-SSCD (Investor Payments)	176,452.70	
Transfer from Mission Bank-SSRC	120,000.00	
Transfer from Mission Bank-SSRC (Investor Payments)	24,099.96	
Transfer from Frost Bank-GCPOA accounts	3,447.56	
Total Deposits		1,029,130.95
<u>Withdrawals</u>		
Transfer to Misson Bank-SSRC (Note Purchase)	(302,782.00)	
Transfer to Mission Bank-SSRC (Note Purchase)	(129,500.00)	
Transfer to Mission Bank-SSRC (Reimburse Membership Dues)	(63,543.00)	
Transfer to Mission Bank-SSRC	(60,000.00)	
Transfer to Mission Bank-SSRC (Reimburse Expenses)	(20,182.39)	
Bank fees	(393.00)	
Total Withdrawals		(576,400.39)
Ending Balance		<u>\$452,730.56</u>

c. SS Development Transferred Investor Notes to the Association

Between May 2018 and January 2019, SS Development transferred four tranches of investor promissory notes to the Association. The first two tranches appear to be book entries only as there was no exchange of cash. The Association paid SS Development for the last two tranches of promissory notes. Given the ten year loan term, those promissory notes will not mature until 2027 and 2028.

On May 10, 2018, the first tranche of 67 investor promissory notes with a total outstanding balance of \$500,150.62 was transferred from SS Development to the Association. In August 2018, the second tranche of approximately 142 notes was transferred, totaling \$1,841,923. The Association did not transfer cash to SS Development for these two tranches of promissory notes. The explanation provided for these non-cash transfers was that the transfers were to offset the CIF proceeds that belonged to the Association, but were never booked. The amount transferred was based on a reconciliation report prepared by management, which has not yet been reviewed for accuracy. In total, promissory notes with an outstanding balance of \$2,342,074 were transferred from SS Development to the Association in these first two tranches.

Also in August 2018, seven more promissory notes were transferred from SS Development to the Association, totaling \$129,934, for which the Association transferred \$129,934 to SS Development. After the notes were transferred, there were no additional

payments by the investors on five of the seven promissory notes. Thus, the Association has received very little return on this purchase.

In January 2019, the Association acquired twelve more promissory notes with an aggregate outstanding balance of \$302,782 and the Association transferred the same amount to SS Development. According to an Equiant report, as of September 30, 2019, the current balance for all notes transferred to the Association is \$2,030,515.

While the financial statements have not been reviewed for accuracy, attached as Exhibit A is the Profit and Loss Statement for the period September 2011 through September 2019 and Balance Sheet for period ending September 30, 2019 for the Galileo Commercial Property Owners Association.

2. Silver Saddle Commercial Development, LP

The SS Development QuickBooks file has entries from January 1, 2011 to September 24, 2019. This analysis focuses on the funds that flowed through the bank accounts, while using QuickBooks records to review descriptions of the deposits and withdrawals.

From 2011 through 2019, SS Development maintained accounts at three banks – Frost Bank, Mission Bank, and Wells Fargo. SS Development also had a lockbox account at a fourth bank – JPMorgan Chase Bank – which was only used to receive funds from investors and disburse those same funds to the appropriate party. Although SS Development received some payments from investors, approximately half of its income was from the Ranch fund transfers.

a. Frost Bank

Analysis of SS Development's Frost Bank account shows deposits from Equiant and Conrad Acceptance Corporation ("Conrad"), another accounts receivable management company, totaling \$3,432,353 and transfers (primarily from the Ranch and the Association) totaling \$4,972,875.43.

Sales commissions and bonuses were, by far, the largest expense totaling \$7,692,671. The chart below details the activity in SS Development's Frost Bank account, for the period September 2011 through October 2018, at which time the account was closed. Details of the deposits and withdrawals are below.

Silver Saddle Commercial Development, LP		
Frost Bank		
Period September 2011 through October 2018		
	<u>Total</u>	
Beginning Balance		1,392.00
<u>Deposits</u>		
Transfers from Frost Bank-SSRC Operating Account	4,215,401.33	
Wires from Equiant (Investor Payments)	2,621,794.13	
Wires from Conrad Acceptance Corporation (Investor Payments)	810,558.99	
Transfer from Mission Bank-SSRC	643,000.00	
Transfer from Frost Bank-MCQ	34,974.10	
Transfer from Frost Bank-Unknown	32,000.00	
Transfer from Frost Bank-GCPOA Improvement Fund Account	25,000.00	
Transfer from One West-SSRC	22,500.00	
Bank fees/refund/adjustment	1,521.57	
California tax refund	57.03	
Total Deposits		8,406,807.15
<u>Withdrawals</u>		
Commissions/Bonuses/Referrals	(7,692,671.37)	
Transfer to Frost Bank-SSRC	(406,100.33)	
Transfer to Mission Bank-SSRC	(285,100.00)	
Transfer to Mission Bank-SSCD	(9,500.00)	
Bank fees	(7,433.26)	
Operating Expenses	(4,394.19)	
Transfer to Frost Bank-GCPOA	(2,800.00)	
Cash Withdrawals	(200.00)	
Total Withdrawals		(8,408,199.15)
Ending Balance		<u>\$0.00</u>

b. Mission Bank

Deposits in SS Development's Mission Bank account total \$3,526,827, the majority of which were from Equiant totaling \$1,960,106. The largest withdrawals were transfers to the Ranch accounts totaling \$2,232,768, followed by commissions, referrals and closing fees, and bonuses totaling \$643,822. The chart below details the deposits and withdrawals from SS Development's Mission Bank account.

Silver Saddle Commercial Development, LP
Mission Bank
Period April 2018 through August 2019

	<u>Total</u>	
<u>Deposits</u>		
Opening Deposit	250.00	
Transfer from Equiant (Investor Payments)	1,960,105.92	
Note Purchase by S. Maney	500,034.46	
Investor Payments	413,019.80	
Transfer from Mission Bank-GCPOA (Note Purchase)	302,782.00	
Transfer from Mission Bank-SSRC	118,283.81	
Cash Deposits	108,133.97	
Deposit - T. Maney	75,000.00	
Transfer from Mission Bank-GCPOA (Expense Reimbursement)	20,182.39	
Transfer from Frost Bank-SSRC	19,500.00	
Transfer from Frost Bank-SSCD	9,500.00	
Bank credit	35.16	
Total Deposits		3,526,827.51
<u>Withdrawals</u>		
Transfer to Mission Bank-SSRC	(2,232,768.02)	
Commissions/Bonuses/Referrals	(643,821.91)	
Administaff Companies (payroll)	(206,243.13)	
Transfer to Mission Bank-GCPOA	(157,833.93)	
Transfer to Wells Fargo Bank-SSCD	(140,000.00)	
Operating and Legal Expenses	(79,394.71)	
Chargebacks/Reversals of Loan Payments	(32,534.67)	
Transfer to Wells Fargo Bank-SSRC	(30,000.00)	
Reimburse Loan Payments to S. Maney	(1,626.16)	
Total Withdrawals		(3,524,222.53)
Ending Balance		<u>\$2,604.98</u>

c. Wells Fargo Bank

In December 2018, SS Development opened a Wells Fargo Bank account. The deposits total \$494,135, consisting mostly of wires from Equiant and in-branch deposits resulting from investor payments totaling \$325,228. Transfers from the Ranch totaled \$130,000. The withdrawals totaled \$477,752.88, primarily consisting of payroll expenses totaling \$312,720 and legal and professional fees and costs totaling approximately \$80,000. Deposits and withdrawals details are below.

Silver Saddle Commercial Development, LP
Wells Fargo Bank
Period December 2018 through August 2019

	<u>Total</u>	
<u>Deposits</u>		
Opening Deposit	100.00	
Transfer from Equiant (Investor Payments)	302,550.89	
Transfer from Mission Bank-SSRC	130,000.00	
Investor Payments	22,677.15	
Cash Deposits	23,781.13	
Transfer from MCQ	15,000.00	
Interest	25.95	
Total Deposits		494,135.12
<u>Withdrawals</u>		
Administaff Companies (payroll)	(312,719.50)	
Operating and Legal Expenses	(164,430.21)	
Transfer to GCPOA	(603.17)	
Total Withdrawals		(477,752.88)
Ending Balance		<u>\$16,382.24</u>

d. JPMorgan Chase Lockbox Account

The JPMorgan Chase lockbox account received various payments from investors. These funds were transferred to Receivership Defendants and others. From June 2012 to August 2019, SS Development received \$9,232,171 in its JPMorgan Chase lockbox account. During the same time period, withdrawals totaled \$9,095,468. The balance in the account as of August 30, 2019 was \$136,703.

The deposits in the Frost Bank, Mission Bank, and Wells Fargo Bank total \$12,429,162. Over 46% of the deposits consist of transfers from other Receivership Defendant accounts, \$5,771,507. Deposits resulting from wires from Equiant and Conrad total \$6,630,741, or about 53% of total deposits. Without consideration of the other operating expenses, SS Development paid commissions, bonuses, and referral fees totaling approximately \$8,336,493. Without transfers from other Receivership Defendant accounts, SS Development would not have been able to cover those expenses. Further investigation and reconciliation is required in order to determine whether investors' CIF contributions and membership dues were allocated appropriately. While not reviewed for accuracy, attached as Exhibit B is the Profit and Loss Statement for the period September 2011 through September 2019 and Balance Sheet for the period ending September 30, 2019 for Silver Saddle Commercial Development, LP.

3. Silver Saddle Ranch & Club

It appears that the Ranch was in control of the purse strings from 2011 through August 2016, when SS Development began receiving a small share of the proceeds from investor payments. During the period from September 2011 through September 2019, the Silver Saddle Ranch & Club (the Ranch) maintained accounts with Frost Bank, Mission Bank, One West Bank, and Wells Fargo Bank. There were a total of nine accounts, which were active for different periods within this timeframe. There are entries recorded in QuickBooks dating from January 31, 2001 through September 25, 2019. For purposes of this preliminary report, the QuickBooks data reviewed consisted of the period September 2011 through August 2019. Due to the statements from Silver Saddle management describing the accounting records as a mess, the data in QuickBooks was not relied upon as a complete and accurate source of information. The Balance Sheet and the Profit and Loss Statement for the period September 2011 through September 30, 2019 are attached, but have not been reviewed for completeness or accuracy.

When the sales of the undivided interests in the land began in November 2011, there was one bank account maintained by the Ranch, and three others were opened in 2012. SS Development also maintained a bank account in 2011, and opened an additional account in 2012, and ultimately opened additional accounts over the years. Although SS Development appeared to be the seller of the units, from June 2012 through January 2016, the vast majority of the funds collected from investors were not directly deposited into SS Development accounts, but were deposited into the Ranch accounts. The only deposits in the SS Development accounts from 2011 through January 2014 were transfers, primarily, from the Ranch accounts.

Investors were able to make payments directly to Silver Saddle using a credit card and/or check. The Ranch received payments from merchant processors, both Global Pay and American Express. The Ranch also used Intuit Payment Services to facilitate payments from investors. SS Development began processing payments with an American Express merchant account in May 2018. It is unclear why income from SS Development sales was deposited into the Ranch accounts, rather than the SS Development accounts.

The deposits in all nine of the Ranch bank accounts for the period September 2011 through July 2019 total \$84,482,151. The funds in the Ranch accounts were transferred to and from the other the Ranch accounts, which affects the aggregate totals of both the deposit and the withdrawal amounts listed on the bank statements. Additionally, funds were transferred to and from the SS Development and the Association accounts. At this time, a complete review of the two largest accounts held by the Ranch, with deposits totaling \$72,625,061, has not been completed. The total income as of September 30, 2019, per QuickBooks, is \$37,121,945. Included in this amount is income from MCQ/UDI Income in the amount of \$9,778,165. The amount of MCQ/UDI income is the result of four journal entries, one for each year from 2011 through 2014. The documentation supporting those journal entries has not been discovered. MCQ is an entity controlled by defendant Thomas Maney, but the reason for its inclusion on the the Ranch Profit and Loss Statement is unclear. The unit sales history lists total sales from 2011 through 2018 in the amount of \$56,145,268 and is based on the purchase price of the units sold. While the financial statements have not been reviewed for accuracy or completeness, attached as

Exhibit C is the Profit and Loss Statement for the period September 2011 through September 2019 and Balance Sheet for the period ending September 30, 2019 for Silver Saddle Ranch & Club.

Exhibit A

Galileo Commercial Property Owners Association

PROFIT AND LOSS

September 2011 - September 2019

	TOTAL
Income	
4000 Assn Membership Dues	453,539.25
4000.1 CIF Fund-Galileo	201,038.36
4000.2 CIF Developer Contributions	3,180.18
Principal, Down Pymnts	24,481.35
Interest Income	330,305.00
Late Fees	2,143.91
Refunds And Allowances	253.95
Total Principal, Down Pymnts	357,184.21
Total Income	\$1,014,942.00
GROSS PROFIT	\$1,014,942.00
Expenses	
Bank Charges & Fees	393.00
Equiant Servicing Fees	17,384.33
General Administrative Expenses	271,884.91
Total Expenses	\$289,662.24
NET OPERATING INCOME	\$725,279.76
NET INCOME	\$725,279.76

Galileo Commercial Property Owners Association

BALANCE SHEET

As of September 30, 2019

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
1000 Galileo (ileo)	668,167.26
1005 Galileo Frost 9401	0.00
1010 Galileo Frost 9436	0.00
Total Bank Accounts	\$668,167.26
Other Current Assets	
1030 Receivable from SSCD LP	262,286.83
1035 Receivable from SSR&C, Inc.	211,974.85
Clearing Account	-142,553.32
UDI Notes Receivable	2,511,811.67
Total Other Current Assets	\$2,843,520.03
Total Current Assets	\$3,511,687.29
TOTAL ASSETS	\$3,511,687.29
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
2000 Payable to SSCD, LP	-5,576.19
Accrued Interest Payable	0.00
Other Current Liabilities	0.00
Total Other Current Liabilities	\$ -5,576.19
Total Current Liabilities	\$ -5,576.19
Total Liabilities	\$ -5,576.19
Equity	
3000 Opening Balance Equity	0.00
3010 Capital Improvement Fund	2,794,583.72
Retained Earnings	124,463.67
Net Income	598,216.09
Total Equity	\$3,517,263.48
TOTAL LIABILITIES AND EQUITY	\$3,511,687.29

Exhibit B

Silver Saddle Commercial Development LP

PROFIT AND LOSS

September 2011 - September 2019

	TOTAL
Income	
3003 Principal, Down Payments- UDI Contracts	13,197,428.89
3003.1 Interest Income- UDI Contracts	1,946,543.15
3003.2 Late Fees- UDI Contracts	6,774.86
3003.3 Other Impounds- UDI Contracts	621,183.77
3003.4 Lot Doc/Other Fees Collected	156,860.78
3005 Recording, Title, and Other Fees-SSCD UDI	232,220.00
3010 Sales	10,245,874.59
3110 Other Miscellaneous Income	1,716,901.86
3130 Income (Club) Dues	238.00
3600 Uncategorized Income	96,824.52
3997 Refunds and Allowances	-60,475.85
3998 Wire Out Equiant Lender Code 524	-53,576.59
Principal and Interest	1,397,715.34
Unapplied Cash Deposit	0.00
Total Income	\$29,504,513.32
Cost of Goods Sold	
3011 Cost of Sales- Self Gen	119,093.75
Cost of Goods Sold	135,731.25
Total Cost of Goods Sold	\$254,825.00
GROSS PROFIT	\$29,249,688.32
Expenses	
4000 Facility and Support	4,670,268.33
4001 Conrad Fees	98,559.28
4009 Salaries and Wages	26,010.85
4022 Dues, Licenses, Fees	9,455.28
4023 Training And Certifications	1,019.91
4125 Research and Education	80.00
Total 4022 Dues, Licenses, Fees	10,555.19
4112 Telephone	80,159.45
4220.1 Outside Services	12,715.50
4265 Depreciation Expense	1,000.00
4332 Legal & Professional Fees	557,715.07
4335 Lawsuit Settlements	
4335.1 Lawsuit Settlements	107,900.00
4335.2 Payments To Plaintiff	31,100.00
Total 4335 Lawsuit Settlements	139,000.00
4400 General And Administrative	
4104.1 Auto and Truck Expense	
4104 Auto and Truck Expenses	49,588.00
4104.2 Mileage Reimbursement	14,122.56
4352 Parking and Tolls	542.54
Total 4104.1 Auto and Truck Expense	64,253.10

	TOTAL
4105 Other Office Expenses	111,084.16
4106 Office Supplies	26,760.46
4108 Postage & Delivery	31,810.54
4115 Utilites and Telephone	35,979.88
4120 Donations	50.00
4221 Contracted Work	78,464.96
4225 Employee Meals	3,999.95
4230 Insurance	37,909.42
4231 Liability and Other	63,635.66
4330 Professional Fees	266,586.49
4336 Bank Service Charges	21,328.20
4337 Merchant Fees	176,613.53
Total 4336 Bank Service Charges	197,941.73
4350 Travel	42,825.11
4351 Hotel/Rooms Costs	2,470.89
Total 4350 Travel	45,296.00
4441 Equipment Rental	7,093.36
4470 Hiring Expense	5,147.24
4471 Subscriptions	1,442.03
4549 IT Technology	72,855.76
4549.5 Software	5,653.20
4549.7 IT Services	29,123.32
Total 4549 IT Technology	107,632.28
4551 Repairs and Maintenance	12,106.63
4910 Recording and Title Fees	26,967.59
4950 Service Bureau Fees	144,669.70
5676 Other Advertising	1,995,690.32
Rent & Lease Expense	137,588.25
Total 4400 General And Administrative	3,402,109.75
4440 Bank & Collection Svc Fees	382,566.77
4560 Janitorial Services	2,121.00
4600 Selling and Advertising Expenses	30,902.38
4008 Referral Fees	982,953.18
4114 Commissions	8,596,635.72
4116 CIF Developer Contributions	121,122.11
4601 Marketing and Advertising	1,282,095.11
Total 4600 Selling and Advertising Expenses	11,013,708.50
4960 Other Taxes and Licenses	7,658.59
4100 California Income Tax	1,600.00
4111 Property Taxes	602,252.75
Total 4960 Other Taxes and Licenses	611,511.34
5000 Ranch Operating Expense	5,465,062.77
6000 Payroll Expenses	
6010 Wages & Salaries	
6010.15 General & Admin Corporate HQ	3,392,506.04
6010.20 Marketing	34,555.27
Total 6010 Wages & Salaries	3,427,061.31
6020 Bonus Pay	
6020.15 General & Admin Corporate HQ	500.00

	TOTAL
Total 6020 Bonus Pay	500.00
6030 Payroll Tax Allocation	
6030.15 General & Admin Corporate HQ	241,685.95
6030.20 Marketing	4,093.90
Total 6030 Payroll Tax Allocation	245,779.85
6040 Workers Comp/Employment Liability Ins	
6040.15 General & Admin Corporate HQ	61,120.82
6040.20 Marketing	402.64
Total 6040 Workers Comp/Employment Liability Ins	61,523.46
6050 Employee Benefits	
6050.15 General & Admin Corporate HQ	409,039.09
6050.20 Marketing	10,424.84
Total 6050 Employee Benefits	419,463.93
6060 Insperity Services/Tech	
6060.15 General & Admin Corporate HQ	101,984.08
6060.20 Marketing	2,410.90
Total 6060 Insperity Services/Tech	104,394.98
6070 Additional Charges or Credits	-13,739.32
Total 6000 Payroll Expenses	4,244,984.21
7500 Ranch Allocation	-97,130.94
7501 Ranch Allocation-Salaries and Wages	1,070,514.40
Total 7500 Ranch Allocation	973,383.46
8674 Uncategorized Expense	1,222,306.23
Purchases	140.00
Total Expenses	\$32,913,877.70
NET OPERATING INCOME	\$ -3,664,189.38
Other Income	
3117 Gain/Loss on Sale of Notes	15,036.89
3190 Interest Earned	13.33
Total Other Income	\$15,050.22
Other Expenses	
1500 Suspense	-866,992.78
Claims and Judgments	5,489.40
Total Other Expenses	\$ -861,503.38
NET OTHER INCOME	\$876,553.60
NET INCOME	\$ -2,787,635.78

Silver Saddle Commercial Development LP

BALANCE SHEET

As of September 30, 2019

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
1008 Petty Cash	2,500.00
1012 Frost Checking 0014	0.00
1013 Chase 9388	57,583.10
1014 Mission 9428	8,548.56
1015 Wells Fargo 7960 - Checking SSComm	-1,529.00
Total Bank Accounts	\$67,102.66
Other Current Assets	
1100 Receivable from sales agents	0.00
1111 Cancelled sales	0.00
1121 Clearing Account	-465,373.65
1122 Clearing Account Chase-9388	-57,583.10
1123 Clearing - UDI	0.00
1125 Conrad Clearing	0.00
1126 Clearing - GP/AmEx Merchant Accounts	-1,004.75
1220 UDI notes	0.00
1435 Receivable From SSR&C INC	674,456.26
2305 Receivable related - MCQ	24,356.58
Total Other Current Assets	\$174,851.34
Total Current Assets	\$241,954.00
Fixed Assets	
1874 Furniture and Equipment	1,000.00
1876 Reserve for Depreciation	-1,000.00
Total Fixed Assets	\$0.00
Other Assets	
1124 CIF cash holding	0.00
1434 Land	198,301.55
Total Other Assets	\$198,301.55
TOTAL ASSETS	\$440,255.55
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
2004 Accrued Commissions	0.00
2005 Conrad Advance	0.00
2306 Payable To Galileo	291,118.01
2307 Payable to Related Party SSRC	148,990.96
2308 Payable to Related Party - MCQ	0.00
2400 UDI tax collected	0.00
2405 A/P T Hansen	0.00
2410 Payable to SSR&C	488,206.32

	TOTAL
2411 Payable to ASSN DUES GCPOA	246,645.46
2412 Payable To CIF GCPOA	5,038.26
2415 P&I due Mayo	0.00
2420 P&I due CIF	0.00
2421 Levy for Marian Ducreux	0.00
Total Other Current Liabilities	\$1,179,999.01
Total Current Liabilities	\$1,179,999.01
Long-Term Liabilities	
2406 SH Loan Payments	0.00
2407 Payable to Tom Maney	95,000.00
2450 N/P T Hansen	136,338.20
Total Long-Term Liabilities	\$231,338.20
Total Liabilities	\$1,411,337.21
Equity	
2500 T Maney - Capital	-1,987,711.00
2501 T Hansen - Capital	0.00
2502 D Nicastro - Capital	0.00
2503 SSCD Management LLC	-18,400.10
2510 Retained Earnings	825,296.38
3000 Opening Balance Equity	0.00
Net Income	209,733.06
Total Equity	\$ -971,081.66
TOTAL LIABILITIES AND EQUITY	\$440,255.55

Exhibit C

Silver Saddle Ranch and Club, Inc.

PROFIT AND LOSS

September 2011 - September 2019

	TOTAL
Income	
3001 MCQ/UDI Income	9,778,165.45
3003 Principal, Down Pymnts Interest	17,882,906.52
3003.1 Interest Income-Land Contract	299,838.70
3003.2 Late Fees- Land Contracts	2,245.73
3003.3 Other Impounds- Land Contracts	8,151.67
3004 CIF Fund-Galileo	13.33
3005 Recording, Title, and Other Fees-SSCD UDI	720,453.59
3066 Late Charges-UDI	915.23
3105 Ranch Income Allocation	2,509,603.21
3130 Income (Club) Dues-SSRC	2,330,202.78
3131 Spa Revenue	5,507.36
3132 Restaurant and Banquet Sales	731,680.64
3134 Bar Sales	30,466.28
3135 Room Rental Income	1,136,174.47
3136 Vending Income	388.70
3137 Gift Shop Income	7,655.32
3138 RV Space Rental Income	7,745.81
3140 Other Amenities Income	20,811.76
3142 Spa Services Revenue	115.00
3222 HSI (Elite Travel Program) Revenue	0.00
3223 ECM Revenue	0.00
3501 Refunds and Chargebacks	-527,375.89
3600 Uncategorized Income	309,019.96
3665 Free Lot Doc Fees	18,851.50
3994 Sales	1,251,130.00
3999 Lot Sales-Ref & Self Gen Services	70,595.60
Unapplied Cash Payment Income	526,682.27
	0.00
Total Income	\$37,121,944.99
Cost of Goods Sold	
4511 Cost of Sales	330,000.00
Credit Card Processing Fees	3,594.16
Equipment Leasing	1,212.84
Total Credit Card Processing Fees	4,807.00
Total Cost of Goods Sold	\$334,807.00
GROSS PROFIT	\$36,787,137.99
Expenses	
4000.99 Ranch Expenses	170,564.91
4108 Auto-Ranch	53,729.59
4108.1 Fuel-Ranch	26,897.14
4108.2 Mileage Reimb Ranch	7,906.61
Total 4108 Auto-Ranch	88,533.34

	TOTAL
4110 Comm. Svc. & Utilities	1,946,875.97
4110.1 Water	879,232.23
4110.4 Propane	32,704.03
Electricity	257,812.79
Gas	635.76
Pest Control	42,981.93
Trash Collection	63,240.72
Total 4110 Comm. Svc. & Utilities	3,223,483.43
4220 Contracted Work	962,664.68
4220.2 Security	161,270.45
Total 4220 Contracted Work	1,123,935.13
4244 Rent and Lease Expense	20,095.71
4259 Employee Meals	126,687.96
4261 Rm/Kitchen/Bar Supplies	520,770.83
4262 Guest Supplies	54,847.45
4263 Small Ware	6,907.29
4264 Laundry and Uniforms	121,945.49
4271 Insurance	106,838.78
4272 Taxes and Licenses	18,072.16
4330 Professional Fees	240,207.06
4332.2 Legal & Professional Fees	25,870.89
4685 Member Discounts	-1.95
4790 Travel & Entertainment	302,343.30
4799 Miscellaneous	20,745.08
5671 Hotel/Rooms Costs	293,328.75
8673 Club Facilities Cost	97,130.94
Remodel Expense	60,024.69
Total 8673 Club Facilities Cost	157,155.63
Total 4000.99 Ranch Expenses	6,622,331.24
4002 Ranch-Supplies and R&M	15,587.06
4000 Food and Bar Purchases and Supplies	1,642,715.38
4260 Cleaning Supplies	67,569.16
4331 Other Supplies and Expenses	205,280.61
4331.1 Equipment Rental	53,486.67
Total 4331 Other Supplies and Expenses	258,767.28
4333 Amenity Supplies/Guest Entertainment	214,684.53
4333.1 Feed and Stable Supplies	75,266.27
4333.2 Spa Supplies	9,956.93
4333.3 Pool Supplies	11,920.92
4333.4 Trap and Skeet Supplies	13,097.42
4333.5 Guest Entertainment	20,026.95
Total 4333 Amenity Supplies/Guest Entertainment	344,953.02
4551 Repair/Maintenance/Supplies & Svc	1,171,800.42
4551.1 Tools	13,248.70
Total 4551 Repair/Maintenance/Supplies & Svc	1,185,049.12
Total 4002 Ranch-Supplies and R&M	3,514,641.02
4006 General and Administrative	30,093.67
4001 Salaries and Wages	12,693,846.81
4001.1 Relocation Bonus	5,000.00

	TOTAL
4220.1 Contracted Work	253,767.11
Payroll Processing Fees	1,884.11
Total 4001 Salaries and Wages	12,954,498.03
4003 Insurance	1,311.31
4004 Workers Compensation Ins	85.70
4670 Liability and Other Insurance	584,159.82
Total 4003 Insurance	585,556.83
4022 Licenses, Dues, and Fees	173,162.82
Safety Certifications	954.00
Training and Certifications	5,693.08
Total 4022 Licenses, Dues, and Fees	179,809.90
4104 Auto and Truck Expenses	214,966.97
4104.1 Fuel	14,111.60
4104.2 Mileage Reimb Corp	18,875.32
4104.3 Parking and Tolls	1,337.63
Maintenance and Upkeep	4,721.61
Total 4104 Auto and Truck Expenses	254,013.13
4109 Telephone & Utilities	487,978.16
4112 Lawsuit Settlements	119,000.00
4112.1 Payment to Plaintiff	9,000.00
Total 4112 Lawsuit Settlements	128,000.00
4115 Donations	1,386.05
4119 Postage and Delivery	106,359.29
4299 Research and Education	1,663.38
4332 Legal and Professional Fees	1,439,323.37
Accounting	134,878.54
Total 4332 Legal and Professional Fees	1,574,201.91
4336 Bank Charges	630,165.55
Finance Charges	27,383.06
Membership Fees	1,679.90
Total 4336 Bank Charges	659,228.51
4337 Merchant Fees	171,856.61
4440 Rent and Lease Expense	717,228.84
HOA Fees	1,428.52
Total 4440 Rent and Lease Expense	718,657.36
4549 Office Supplies and Expenses	497,969.18
4549.2 Hiring Expense	8,657.25
4549.6 Subscriptions	33,846.80
Computers and Accessories	24,413.30
4549.5 Software	20,223.28
4549.7 IT Services	128,379.87
Document Storage	3,047.87
Internet Expense	11,982.68
Total Computers and Accessories	188,047.00
Copier Lease	16,710.90
Total 4549 Office Supplies and Expenses	745,231.13
4552 Repairs and Maintenance	104,398.80
4910 Recording and Title Fees	237,951.30

	TOTAL
4950 Service Bureau, Loan, and Other Fees	219,000.51
4960 Other Taxes and Licenses	81,849.40
4111 Property Taxes	1,326,589.25
7112 Franchise Taxes	4,051.44
9616 State Tax Penalties	822.00
9988 Provision for State and Federal Income Tax	116.27
9999 Penalties	2,625.00
Total 4960 Other Taxes and Licenses	1,416,053.36
7335 Interest Expense	5,375.67
Total 4006 General and Administrative	20,581,313.60
4006.1 Insperity Payroll	
4006.10 Corp - Payroll Tax Allocations	184,185.58
4006.11 Corp - Wokers' comp/EPLI	55,631.07
4006.12 Corp - Employee Benefits	314,449.26
4006.13 Corp - Insperity Services/ Technology	81,480.18
4006.14 Corp - Additional charges or credits	-14,427.37
4006.15 Corp - Gross Wages & Salaries	1,849,426.38
4006.2 Ranch - Gross Wages & Salaries	690,109.58
4006.4 Ranch - Payroll Tax Allocations	75,802.88
4006.5 Ranch - Wokers' comp/EPLI	83,331.69
4006.6 Ranch - Employee Benefits	97,026.72
4006.7 Ranch - Insperity Services/ Technology	38,497.33
Total 4006.1 Insperity Payroll	3,455,513.30
4265 4265 Depreciation Expense	159,706.84
4329 Professional Fees UDI (deleted)	-12,600.00
4600 Selling and Advertising Expenses	93,283.50
4007 Referral Fees	1,926,724.54
Referral Gifts	6,484.70
Total 4007 Referral Fees	1,933,209.24
4114 Commissions	808,656.52
4601 Marketing and Advertising	631,253.63
4671 Media Advertising	66,188.41
4676 Other Advertising	187,883.70
4676.1 Dinner Parties	190,716.69
4676.2 Gift Cards	449,315.70
Sponsorship	11,850.00
Total 4676 Other Advertising	839,766.09
4677 Other Advertising - Merlyn Balmoja	295,759.16
4679 Marketing Costs and Supplies	1,438,053.57
4679.1 Overflow Room Expenses	108,289.06
Promo Gifts	17,154.84
Total 4679 Marketing Costs and Supplies	1,563,497.47
4900 Lead Generation Fees	9,671.66
5686 Customer Incentives	847,154.26
Total 4601 Marketing and Advertising	4,253,290.68
4684 Comp Meals	652,399.75
4686 Comp Rooms	924,655.47
Total 4600 Selling and Advertising Expenses	8,665,495.16
6000 Payroll Expenses	

	TOTAL
6010 Wages & Salaries	
6010.15 General & Admin Corporate HQ	6,661.86
6010.21 Sales Admin	62,310.03
6010.31 Resort Admin	157,787.29
6010.40 Hotel/Club House	55,018.64
6010.42 Dining/Kitchen	85,351.05
6010.46 Stables/Petting Zoo	27,348.55
6010.48 Spa/Salon	4,844.74
6010.49 Ranch Resort	203,570.89
Total 6010 Wages & Salaries	602,893.05
6020 Bonus Pay	
6020.31 Resort Admin	650.00
Total 6020 Bonus Pay	650.00
6030 Payroll Tax Allocation	
6030.15 General & Admin Corporate HQ	962.63
6030.21 Sales Admin	6,196.89
6030.31 Resort Admin	14,695.77
6030.40 Hotel/Club House	7,131.13
6030.42 Dining/Kitchen	9,884.15
6030.46 Stables/Petting Zoo	3,154.02
6030.48 Spa/Salon	700.03
6030.49 Ranch Resort	21,384.18
Total 6030 Payroll Tax Allocation	64,108.80
6040 Workers Comp/Employment Liability Ins	
6040.15 General & Admin Corporate HQ	85.83
6040.21 Sales Admin	1,586.75
6040.31 Resort Admin	1,414.92
6040.40 Hotel/Club House	8,062.44
6040.42 Dining/Kitchen	7,301.50
6040.46 Stables/Petting Zoo	3,945.97
6040.48 Spa/Salon	576.40
6040.49 Ranch Resort	44,467.68
Total 6040 Workers Comp/Employment Liability Ins	67,441.49
6050 Employee Benefits	
6050.15 General & Admin Corporate HQ	132.30
6050.21 Sales Admin	12,306.28
6050.31 Resort Admin	27,572.65
6050.40 Hotel/Club House	6,440.73
6050.42 Dining/Kitchen	7,465.46
6050.46 Stables/Petting Zoo	1,678.21
6050.48 Spa/Salon	983.70
6050.49 Ranch Resort	41,917.20
Total 6050 Employee Benefits	98,496.53
6060 Insperity Services/Tech	
6060.15 General & Admin Corporate HQ	335.16
6060.21 Sales Admin	3,147.34
6060.31 Resort Admin	6,077.76
6060.40 Hotel/Club House	5,069.95
6060.42 Dining/Kitchen	5,347.27

	TOTAL
6060.46 Stables/Petting Zoo	1,145.97
6060.48 Spa/Salon	571.48
6060.49 Ranch Resort	11,470.82
Total 6060 Insperity Services/Tech	33,165.75
6070 Additional Charges or Credits	13,170.51
Total 6000 Payroll Expenses	879,926.13
8674 Uncategorized Expense	990,819.88
Customer Incentivess	-9.48
Medical Expenses	635.35
QuickBooks Payments Fees	4,014.73
Unapplied Cash Bill Payment Expense	500.00
Total Expenses	\$44,862,287.77
NET OPERATING INCOME	\$ -8,075,149.78
Other Income	
3100 Unlocated Ranch Revenue/Expense	-131,833.52
3117 Gain/Loss on Sale of Notes	2,693,982.34
3199 Other Miscellaneous Income	1,444,726.19
5005 Recoveries	357,178.83
7791 Reimbursement Ranch Operations	-35.00
Total Other Income	\$4,364,018.84
Other Expenses	
6265 Depreciation and Amortization	438,458.44
7300 Provision for Bad Debts	272,746.19
8100 Theft Loss	12,185.00
8552 Note Discounts and Interest	35,323.86
9772 Settlement - Resorts	45,000.00
Other Miscellaneous Expense	-1,088,862.85
Reconciliation Discrepancies	131,402.67
Total Other Expenses	\$ -153,746.69
NET OTHER INCOME	\$4,517,765.53
NET INCOME	\$ -3,557,384.25

Silver Saddle Ranch and Club, Inc.

BALANCE SHEET

As of September 30, 2019

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
1003 Compass Bank	0.00
1004 Silver Saddle- Mojave Desert Bank	52,945.84
1005 Silver Saddle- Money Market	0.00
1006 First Federal / One West	0.00
1006M MCQ-First Federal	0.00
1008 Petty Cash	3,837.60
1009 Washington Mutual, Money Market	0.00
1010 Severance Account	0.00
1012 Frost Checking 9975	0.00
1012.1 Credit Card Clearing	0.00
1013 Frost Referral 1985	0.00
1014 Mission Bank 1341	-103,773.83
1015 Wells Fargo 7952 - SSRC Ckg	149.93
483142 Other Revenue	0.00
Union Bank	0.00
Total Bank Accounts	\$ -46,840.46
Accounts Receivable	
1120 Receivable from M.C.Q.	0.00
1201 SSRC- Resorts A/R	0.00
1236 SSRC F81- AR Merchants	0.00
Total Accounts Receivable	\$0.00
Other Current Assets	
1007 Referral Account	0.00
1110 Land Contracts Receivable	0.00
1111 Rec- Pref. Memberships	0.00
1121 Clearing Account	-54,996.53
1122 Clearing - Escrow wires	0.00
1123 Clearing - UDI	0.00
1123.1 Fee Clearing - UDI	0.00
Total 1123 Clearing - UDI	0.00
1124 Collections clearing	0.00
1124.6 Quickbooks CC Clearing	0.00
1126 Clearing - GP/AmEx Merchant Accounts	6,943.00
1130 Loans to Employees	0.00
1131 Ranch Clearing	0.00
1201.1 Receivable From SSCD LP	1,296,129.84
1201.10 Receivable From GCPOA	-41,046.87
1201.11 Receivable From SSR&C	113,036.30
1203 SSRC Equiant-ACCELL 129 & 100	258,274.52
1222 Merchants Note Run-F-84	0.00
1223 Merchants- F82	0.00

	TOTAL
1224 Merchants F83	0.00
1225 Merchants F80 EQ Club Serviced	0.00
1227 KPM- New	0.00
1232 Merchants F95	0.00
1240 Recoveries/Land Contract Receivable	0.00
1291 Allowance for Doubtful	0.00
1434 Lots Inventory	174,000.00
1439 Restaurant Inventory	54,232.95
1440 Bar Inventory	39,941.81
1441 Gift Shop Inventory	1,280.00
1442.48 Spa Retail Inventory	4,919.01
1443.48 Spa Back Bar Inventory	0.00
Credit Card Receivables	0.00
Credit Card Receivables-1	0.00
Inventory Asset	0.00
Uncategorized Asset	0.00
Undeposited Funds	0.00
Total Other Current Assets	\$1,852,714.03
Total Current Assets	\$1,805,873.57
Fixed Assets	
1700 New Houses - In Progress	0.00
1872 Land Improvements	199,966.92
1872.21 Land Improvements(2)	8,772.00
1872.31 Land Improvements(3)	41,453.94
1872.40 Land Improvements(4)	12,009.05
1872.42 Land Improvements(5)	450.00
1872.46 Land Improvements(6)	250,444.39
1872.49 Land Improvements(7)	28,612.84
1873 Buildings	1,348,031.10
1873.21 Buildings- Sales Administration	59,058.52
1873.31 Buildings(2)- Ranch Admin	29,879.19
1873.40 Buildings- Hotel	20,780.15
1873.42 Buildings- Rest 42	9,915.30
1873.46 Buildings- Amenities	690.93
1873.48 Buildings(3)	64,757.60
1873.49 Buildings- Maintenance	68,718.83
1874 Furniture and Equipment	93,208.52
1874.20 Furniture and Equipment(2)	17,914.05
1874.21 Furniture and Equipment(3)	138,590.44
1874.31 Furniture and Equipment(4)	235,733.28
1874.40 Furniture and Equipment(5)	109,997.55
1874.42 Furniture and Equipment(6)	11,780.49
1874.46 Furniture and Equipment(8)	81,918.88
1874.48 Furniture and Equipment(9)	0.00
1874.49 Furniture and Equipment- Maintenance	59,267.01
1874.50 Corporate Office Furniture and Fixtures	10,159.22
1875 Horses	9,000.00
1876 Reserve for Depreciation- Land	-410,004.06
1877 Reserve for Depreciation- Bldgs	-755,578.52
1878 Reserve for Depreciation- Furn & Equip	-871,523.58

	TOTAL
1879 Reserve for Depreciation- Horses	-3,200.00
1880 Reserve for Depreciation- UDI	0.00
Total Fixed Assets	\$870,804.04
Other Assets	
1500 Suspense	-500.00
1500.1 Suspense - Expenditure for Galileo Comm. Prop	0.00
1500.2 Suspense - Expenditure for MCQ Corp	0.00
Total 1500 Suspense	-500.00
1501 Suspense- Gas Cleanup Sierra/Melton etc.	0.00
1981 Investment Land	101,500.00
1991 Reserve Resorts	0.00
1992 Reserve Merchants	0.00
1995 Deposits	0.00
Total Other Assets	\$101,000.00
TOTAL ASSETS	\$2,777,677.61
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2002 Accounts Payable	0.00
Total Accounts Payable	\$0.00
Credit Cards	
American Express	-96,369.90
Total Credit Cards	\$ -96,369.90
Other Current Liabilities	
2003 Accrued Commissions	0.00
2004 Accrued Commissions - UDI	0.00
2100 Payroll Liabilities	0.00
2133 Advance Deposits	0.00
2243 Sales and Use Taxes	-843.36
2244 Accrued State and Federal Income Tax	0.00
2246 Room Tax	0.00
2247 Accrued Property Taxes	0.00
2250 Other Short Term Liabilities	0.00
2301 Payable to Related Party	0.00
2301.5 Payable to Related Party - CIF Fund	0.00
Total 2301 Payable to Related Party	0.00
2301.7 Payable to Related Party-MCQ	301,050.77
2301.8 Payable to SSCD-UDI	1,090,768.02
2306 Payable Related - Galileo	-18,618.77
2306.1 Payable To SSCD LP	683,196.51
2306.2 Payable To GCPOA	282,197.54
2429 Liability for Resorts chgbks	0.00
2430 Deferred Recourse Obligations	0.00
Sales tax payable	0.00
Total Other Current Liabilities	\$2,337,750.71
Total Current Liabilities	\$2,241,380.81
Long-Term Liabilities	

	TOTAL
2404 Textron Note Payable	0.00
2405 Note Payable Sharon Maney	250,000.00
2406 Note Payable- Shareholder	0.00
2407 NP T. Maney	3,745,643.27
2408 NP J. Childs	342,964.00
2409 NP T Hansen	0.00
2410 Merchans Loan	0.00
2411 Merchants Loan, MCQ Portion	0.00
2413 NP S. Maney	200,000.00
2420 Note Payable Textron	0.00
Total Long-Term Liabilities	\$4,538,607.27
Total Liabilities	\$6,779,988.08
Equity	
2501 Capital Stock	339,000.00
2503 Paid In Capital	650,950.00
2505 Paid in Excess	0.00
2506 Dividends Paid to T Maney	0.00
2508 Dividends Paid to J Child	0.00
2509 Treasury Stock	-14,580.00
2510 Retained Earnings	-3,428,950.35
2511 Dividends Paid to Terry Hansen	0.00
2966 Opening Bal Equity	72,044.56
Owner's Equity	0.00
Net Income	-1,620,774.68
Total Equity	\$ -4,002,310.47
TOTAL LIABILITIES AND EQUITY	\$2,777,677.61