

Attorney or Party Name, Address, Telephone & FAX Numbers, and California State Bar Number Robert B. Orgel (CA Bar No. 101875) Samuel R. Maizel (CA Bar No. 189301) Jeffrey L. Kandel (CA Bar No. 115832) Pachulski Stang Ziehl & Jones LLP 10100 Santa Monica Blvd., 13 th Floor Los Angeles, CA 90067-4003 Telephone: 310/300-2927 Facsimile: 310/201-0760 Attorneys for Thomas P. Jeremiassen, Trustee	FOR COURT USE ONLY
UNITED STATES BANKRUPTCY COURT CENTRAL DISTRICT OF CALIFORNIA	
In re: Estate Financial, Inc., <div style="text-align: right;">Debtor(s).</div>	CASE NO.: 9:08-bk-11457-PC

NOTICE OF SALE OF ESTATE PROPERTY

Bid Deadline: June 18, 2014	Time: 5:00 p.m.
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Type of Sale: Public Private Last date to file objections: June 18, 2014
 Description of Property to be Sold: Tract 2162, Phases 2 -6, Lakeview Drive, Paso Robles, CA 93446 (Loan B502-05)
 Terms and Conditions of Sale: See Exhibit A
 Proposed Sale Price: \$2,400,000

Overbid Procedure (If Any): If anyone wishes to overbid (an "Overbid") in an amount greater than the sales price indicated above: (i) the Trustee must be informed of all of the relevant terms of the proposed Overbid and contact information for the overbidder no later than the objection deadline listed above by contacting the contact person listed below; (ii) the proposed overbidder must provide (x) a 3% deposit made payable to "Thomas P. Jeremiassen, Chapter 11 Trustee for Estate Financial, Inc." in immediate good funds and (y) reasonably adequate information as to financial wherewithal and ability to close; and (iii) the over-bidder (or its authorized agent or attorney capable of binding it contractually) must attend any hearing set with respect to such sale. In overbidding, lien holders only may credit bid the undisputed portion of their secured claim, if any.

If property is to be sold free and clear of liens or other interests, list date, time and location of hearing: No hearing absent objection per the procedures order governing this case [Docket No. 271].

Contact Person for Potential Bidders (include name, address, telephone, fax and/or e-mail address):

Matt Sorenson, Development Specialists, Inc.
333 South Grand Avenue, Suite 4070
Los Angeles, California 90071
Tel: (213) 617-2717; Fax: (213) 617-2718

Date: June 3, 2014

EXHIBIT A

COUNTER-OFFER

This agreement (“Agreement” or “Counter-Offer”) is intended to set forth the terms and conditions of a contract for the purchase by and sale to The Bu Houses, LLC (the “Buyer”) from Thomas P. Jeremiassen, solely in his capacity as Chapter 11 Trustee for Estate Financial, Inc. (the “Trustee” or “Seller”), of the real property commonly known as vacant land (APN 012-381-001) – see attached Exhibit B for exact legal description, Lake Nacimiento, San Luis Obispo County, California (the “Property”). When executed below, this Agreement will constitute conclusive evidence and the exclusive terms and conditions of the contract for such purchase and sale (the “Sale”) of the Property and will supersede and replace in its entirety the Offer to Purchase dated February 20, 2014 and email dated March 6, 2014, (the “Offer”), and any oral or written negotiations since then.

PURCHASE PRICE; DEPOSIT; ESCROW. The purchase price for the Property shall be \$2,400,000 (“Purchase Price”). Buyer shall make an initial deposit of \$72,000 (the “Initial Deposit”) in the form of cashier’s check or wire transfer made payable and delivered to A & A Escrow, Beverly Hills, California (“Escrow Holder”) within two (2) business days of acceptance of this Counter-Offer by Buyer, Seller’s execution of the Affirmation Agreement in the form attached hereto as Exhibit “A”, and Buyer’s receipt of a copy of the fully executed Counter-Offer and the Affirmation Agreement. Buyer shall deliver to the Trustee, within ten (10) days of mutual agreement upon this Counter-Offer, proof of committed funds available to Buyer sufficient to enable Buyer to consummate the acquisition contemplated herein, which proof shall be in the form of a letter of credit; loan commitment or other form acceptable to the Trustee in the Trustee’s reasonable discretion. In the event that either (i) Buyer fails timely to provide any such proof, or (ii) the Trustee determines, in the Trustee’s reasonable discretion, that any proof of funds provided to Trustee by Buyer is unacceptable, the Trustee shall have the right, at the Trustee’s option, to provide written notice to Buyer and Escrow Holder on or before three (3) business days after the earlier of (a) the date of delivery by Buyer of its proof of funds, or (b) expiration of the ten (10) day period for delivery of proof of funds, that reasonably acceptable proof of funds has not been delivered, and this Counter-Offer is terminated. In the event that the Trustee timely and effectively exercises such termination right, this Counter-Offer shall terminate effective as of the date of Trustee’s written notice to Buyer and Escrow Holder, whereupon the Initial Deposit (if theretofore deposited with the Escrow Holder) shall be returned to Buyer, and Buyer and Trustee shall each be relieved of any further obligation hereunder.

Escrow instructions corresponding to the terms of this Agreement shall be provided by the Escrow Holder and signed by the parties within five (5) business days of the date of Buyer’s and Seller’s receipt of said escrow instructions. Buyer and Seller shall deposit such documents and instruments with the Escrow Holder as and when reasonably required to complete the sale. Buyer shall be free to assign this Agreement to another person or entity (“Assignee”) subject to Seller’s prior review and written approval (which approval Seller may grant or withhold in its reasonable discretion), but Buyer shall remain liable hereunder, together with such Assignee, in the event that such Assignee fails to perform any of Buyer’s obligations hereunder.

1. **BUYER’S DUE DILIGENCE AND FINANCING; CANCELLATION RIGHT.** Buyer shall have sixty (60) calendar days from the date of execution hereof (the “Due Diligence Period”) to perform, complete, and satisfy all contingencies, inspections, investigations, tests and

reviews of reports, and to complete all due diligence which the Buyer desires for this purchase of the Property, including, but not limited to, obtaining any required financing, and performing and completing any geological, soil, structural, environmental, or other tests, inspections, and investigations desired by Buyer. Buyer may, not later than the end of the Due Diligence Period, give Seller and Escrow Holder written notice of Buyer's election to withdraw from this Agreement because of Buyer's inability to complete or dissatisfaction with the results of any of those matters ("Notice of Cancellation"), in which event Buyer's and Seller's obligations under this Agreement shall be terminated and Buyer shall receive a full refund of Buyer's deposit, less the sum of \$100.00, which will be paid to Seller as independent consideration for entering into this Agreement. If Buyer fails to give such Notice of Cancellation within the Due Diligence Period, all such contingencies shall be automatically removed as set forth in Paragraph 3 and Buyer's obligation to proceed shall be non-contingent except as provided herein for, (i) Buyer's review of a preliminary report and underlying documents respecting the title to the Property (as set forth in Paragraph 2), and (ii) Bankruptcy Court approval of this Agreement and the Sale (including as set forth in Paragraph 4).

2. TITLE; TITLE INSURANCE. Within ten (10) days after acceptance of this Counter Offer, First American Title Company (the "Title Company") or Title Company of Seller's choice will be instructed to provide a preliminary report of the condition of title to the Property, including copies of underlying documents referred to in Schedule B thereof, for Buyer's review. Buyer may, not later than the end of the period in this paragraph, or until three (3) days after receipt of the preliminary report and underlying documents, whichever occurs later, in which to give Seller written notice ("Notice of Title Disapproval") that Buyer disapproves the condition of title with respect to a material matter(s) that interfere with the use of the Property for the purpose for which it is currently used or intended to be used. Such notice must refer to the specific exception(s) in Schedule B of the preliminary report and the specific underlying document(s) which are the basis for Buyer's disapproval. Within five (5) business days after receipt of such notice, Seller may, in Seller's sole discretion, either (i) elect to correct the item(s) that were disapproved by Buyer as set forth below, or (ii) elect not to correct the item(s) that were disapproved by Buyer, in which case Buyer may provide Seller and Escrow Holder a Notice of Cancellation within the Due Diligence Period set forth in Paragraph 1, in which event Buyer's and Seller's obligations under this Agreement shall be terminated and Buyer shall receive a full refund of Buyer's deposit, less the sum of \$100.00, which will be paid to Seller as independent consideration for entering into this Agreement. If Buyer does not timely provide a Notice of Cancellation within the Due Diligence Period, Buyer will be deemed to have accepted the previously disapproved item(s). Seller may correct such item by any means that will result in the Title Company either removing the disapproved exception(s) from the preliminary report or providing title insurance coverage by endorsement against such exception(s). At the close of the sale, Seller shall convey and Buyer shall accept title to the Property as shown in Schedule B of the preliminary report, subject to any corrections as in this paragraph above, free and clear of all monetary liens, subject to the terms of the within contract. Seller shall pay the costs of a CLTA Standard Owner's policy of title insurance.

3. REMOVAL OF CONTINGENCIES. If Buyer does not give Seller written Notice of Cancellation as and when provided in Paragraphs 1 or 2, Buyer's silence shall be deemed acceptance and Buyer shall be deemed to have satisfied and removed all of Buyer's contingencies and to proceed with the Sale. Upon the removal or satisfaction of all contingencies, Buyer shall be obligated to proceed with the sale, subject only to Bankruptcy Court approval as set forth herein.

4. BANKRUPTCY SALE PROCEDURE.

A. Pursuant to that certain *Procedures Order re: (1) Real Property Sales and Related Distributions and Payments, Including Brokerage Commissions; (2) Loan Payoffs and Reconveyances; (3) Related Compromises; (4) The Making of Secured Advances; and (5) Loan Collection, Administration and Enforcement, Including Foreclosures, Forbearances, and Deeds in Lieu* [EFI Docket No. 271] (the “Procedures Order”), this sale is subject to written approval and majority consent by the underlying investors, notice to creditors, approval by the Bankruptcy Court, and higher and better bids received by Seller through and including any Bankruptcy Court hearing to confirm the sale. Payment of any and all real estate brokers’ commissions is also subject to notice to creditors and approval by the Bankruptcy Court.

B. Upon removal of contingencies as set forth in Paragraph 3, Seller will file a notice (the “Bankruptcy Sale Notice”) with the Bankruptcy Court pursuant to the Procedures Order.

C. If an acceptable overbid is timely received, Seller shall file a notice scheduling an auction of the Property along with proposed overbid terms, including expense reimbursement to Buyer in an amount equal to the lesser of (a) Buyer’s actual costs (not including attorney’s fees) incurred in connection with this transaction, or (b) Thirty Thousand Dollars (\$30,000) (the “Expense Reimbursement”). The Expense Reimbursement shall be payable to Buyer only (i) if Buyer is not the successful bidder for the Property, (ii) upon the close of escrow with the successful bidder for the Property and only from and out of the proceeds of that transaction, and (iii) if Buyer is not in breach of Buyer’s obligations under this Counter-Offer, and (iv) Buyer has not theretofore terminated this Counter-Offer.

D. If (a) Buyer is the successful bidder at the auction, or no overbids were received by the deadline set forth in the Bankruptcy Sale Notice, (b) majority consent is obtained, and (c) the objection deadline set forth in the Bankruptcy Sale Notice has passed without objection or any such objections are overruled, Seller will file an ex parte motion to obtain an order (the “Order”) authorizing the sale pursuant to the Procedures Order. The Order shall be based on Seller’s standard forms pursuant to the Procedures Order, and shall include a finding that Buyer is a good faith purchaser in accordance with 11 U.S.C. § 363(m).

E. If the Bankruptcy Court approves the sale to Buyer, the parties agree to close the purchase and sale as soon as practicable after entry of the Order approving the sale, but no later than the first business day after fourteen (14) calendar days following entry of the Order. The closing shall occur on the date the deed transferring the Property to Buyer is recorded with the County Recorder where the Property is located. Occupancy shall be delivered to Buyer upon Escrow Holder’s confirmation of recording.

F. If the sale has not closed in accordance with the terms and provisions of this Counter-Offer within one hundred eighty (180) days following the removal of all of Buyer’s contingencies set forth in Paragraph 3 hereof, then either Buyer or Seller may provide notice of cancellation to the other, with applicable remedies set forth in Paragraph 9, *infra*; provided that the termination right provided in this Paragraph 4.F shall not be available to any party hereto who may then be in breach of its obligations under this Counter-Offer.

5. **BANKRUPTCY TRUSTEE.** Buyer acknowledges that Seller is a Trustee administering the above referenced bankruptcy estate, and is a party to this Agreement solely in that capacity. Seller and Brokers and agents have not and will not determine the condition or fitness for use of the Property for any particular purpose. The sale shall be “as is,” “where is,” “with all faults,” and with no warranty by or recourse whatsoever to Seller or Brokers or agents herein. Transfer of the Property shall be by Quit Claim Deed. All parties acknowledge that Seller is a party to this Agreement solely in the capacity as Trustee of the above referenced bankruptcy estate and that in the event of any default in the performance of any of Seller's obligations under the Offer (as modified hereby) or in the event that any other claim is asserted against the Seller, Trustee or the estate in connection with this transaction, the Trustee shall in no event have any personal liability whatsoever (whether in his individual capacity or otherwise), it being expressly understood and agreed that Buyer's sole recourse, if any, in such event shall be to the assets of such estate.

6. **TAXES; PRORATIONS; COSTS OF SALE.** All real property taxes and assessments for the current tax year shown in the current County Tax Bill shall be prorated between Seller and Buyer and charged as of the closing date to the applicable accounts of Seller and Buyer. The sale shall be free and clear of any homeowner's association assessments and all real property taxes (other than those prorated as provided above) enforceable against the Property through the closing date of the sale. Escrow fees shall be split between Buyer and Seller in the manner customary in the County where the Property is located. Seller shall pay any real property transfer tax. Seller shall pay the cost of a Natural Hazard Disclosure Report, from a vendor selected by Seller, to be furnished to Buyer through escrow. Buyer shall pay and have sole responsibility for compliance with any requirements imposed on the Property or this sale by any governmental agency(ies), including compliance with any applicable governmental retrofit requirements. Buyer shall pay the cost of recording the deed. Buyer and Seller shall each pay their own expenses of every other type except as specifically provided in this Agreement.

7. **BROKERS.** Seller is represented Coldwell Banker and Richardson Properties. Buyer is represented by Richardson Properties. Subject to Bankruptcy Court approval, Seller will pay a real estate broker's commission aggregating 5% of net sales price of the Property to the Brokers as follows: 1.25% to Coldwell Banker, 1.75% to Richardson Properties, and 2.5% to Richardson Properties in connection with the closing of this sale. All such Brokers and agents are collectively referred to herein as the “Brokers.” No commission or compensation shall be due or payable to Brokers in connection with this Agreement or sale except from the cash proceeds of an actual Sale of the Property that closes to Buyer. Buyer hereby represents and warrants that, other than the Brokers, Buyer has not dealt with any broker, finder or other person entitled to any fee, commission or other compensation in connection with the Sale and Buyer shall indemnify, defend and protect and hold Seller and the related bankruptcy estate harmless of, from and against any claims, demands, actions, causes of action, losses, liabilities and costs and expenses (including, without limitation, all court costs and reasonable attorneys' fees) as Seller may suffer or incur in the event that any claims for any such fees, commissions or other compensation of any kind are hereafter asserted.

8. **MATERIAL CHANGE OF CONDITION.** In the event of any material change in the condition of the Property after the date of acceptance of this Counter-Offer, if Buyer demands repair of any resulting actual damage to the Property, Seller may, at Seller's sole option: (a) elect to terminate this Agreement, in which event Buyer's and Seller's obligations to buy or sell shall terminate and the full Deposit shall be refunded to Buyer; or (b) make required repairs at the bankruptcy estate's expense; or

(c) assign any insurance proceeds for the damage to the Property to Buyer as of the close of the sale; or
(d) credit the cost of such repairs to Buyer through escrow, it being agreed that in the event that Seller elects and complies with subpart 8(b), (c) or (d), Buyer's obligation to proceed with the Sale shall be unaffected by any such material change in the condition of the Property.

9. REMEDY FOR BUYER'S OR SELLER'S FAILURE TO CLOSE. Buyer's sole remedy in the event that the sale fails to close as a result of Seller's inability or failure to close for any reason, including but not limited to the reason of failure to obtain approval of the sale by the Bankruptcy Court, shall be the mutual release of Buyer's and Seller's obligations to buy or sell and a full refund of the Deposit (plus any increase thereof by Buyer). In the event Buyer fails to close the sale for any reason other than Seller's default, after Buyer's contingencies have been removed as under Paragraphs 2 and 3, Buyer's Deposit (plus any increase, thereof by Buyer) shall be paid over to Seller and retained by Seller as liquidated damages without further legal action. If the Property is a dwelling with no more than four units, one of which Buyer intends to occupy, then the amount retained shall be no more than three percent of the Purchase Price. This provision shall apply equally to the Deposit (and any increase, thereof by Buyer).

[Buyer's Initials] SG

10. BANKRUPTCY COURT JURISDICTION. The U.S. Bankruptcy Court for the Central District of California shall have sole and exclusive jurisdiction to interpret and enforce the terms of this Agreement and Buyer hereby consents and submits to such exclusive jurisdiction. This Agreement shall be interpreted and enforced pursuant to the laws of the United States of America including the Bankruptcy Code, Title 11, United States Code.

11. "AS-IS," "WHERE-IS" CONDITION; NO WARRANTIES. Buyer acknowledges and agrees that, to the maximum extent permitted by law, the sale contemplated by this Agreement is made "as-is," "where-is," and "with all faults," except as specifically provided in this Agreement. Seller and Brokers and agents herein have not made, do not make, and specifically negate and disclaim any representations, warranties, promises, covenants, agreements, or guaranties of any kind or character whatsoever, whether express or implied, oral or written, concerning or respecting (i) value of the Property; (ii) income to be derived from the Property; (iii) suitability of the Property, or lack thereof for any activity or use which Buyer may intend to conduct thereon, including any possibilities or limitations for future development; (iv) habitability, merchantability, marketability, profitability, or fitness for a particular purpose, of the Property, or lack thereof; (v) manner, quality, state of repair, or lack of repair of the Property; (vi) nature, quality, or condition of the Property, or any portion, system, or component thereof, including without limitation, water, soil, and geology; (vii) compliance of the Property or its operation, or lack thereof, with any laws, ordinances, regulations, rules, or orders of any applicable governmental authority or body; (viii) manner or quality of engineering, design, construction or materials, if any, incorporated into the Property; (ix) compliance or lack of compliance with any land use, building and safety, or other laws, ordinances, regulations, rules, orders, or other requirements imposed or enforced by any governmental or non-governmental body, including without limitation the Americans with Disabilities Act of 1990; (x) the presence or absence at, on, under, or adjacent to the Property, of materials described as "hazardous substances, hazardous materials, or toxic substances" or by similar terms under the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S. Code §§9601, et seq.), the Hazardous Materials Transportation Act, as amended

(49 U.S. Code §§1801, et seq.), the Resource Conservation and Recovery Act (42 U.S. Code §§6901, et seq.), the Toxic Substance Control Act (15 U.S. Code §2601, et seq.), the Clean Water Act (33 U.S. Code §1251, et seq.), California Health and Safety Code §25117 or 25316), or other statutes and laws, all as amended and including all regulations issued thereunder; (xi) the content, completeness or accuracy of any Due Diligence materials or Preliminary Report regarding Title to the Property; (xii) the conformity or lack of conformity of the improvements to any plans or specifications for the Property, including any plans and specifications that may have been or may be provided to Buyer; (xiii) the conformity or lack of conformity of the Property to past, current, or future applicable zoning or building requirements; (xiv) any deficiency of any undershoring, drainage, or other aspects, systems, or components of or affecting the Property; (xv) the fact, if applicable, that all or a portion of the Property may be located on or near any natural hazard zone as determined by any governmental agency or body; (xvi) the existence of vested land use, zoning, or building entitlements affecting the Property or any other property; or (xvii) any other matter. Without in any manner limiting the foregoing, Buyer hereby acknowledges and agrees that (i) Seller's Broker, has provided (and will hereafter provide) to Buyer various materials and information relating to the Property, including, without limitation, information and materials relating to the condition of the Property, and (ii) all such materials and information so provided to Buyer by Seller's Broker shall, for all purposes of this Agreement, be deemed to have been disclosed to Buyer by the Seller, as well.

12. **BROKERS.** Brokers and agents herein have not and will not perform any inspections, investigations, or due diligence on behalf of Buyer unless otherwise specified herein. Buyer is informed that Buyer must arrange for any inspections and investigations desired by Buyer utilizing suitable third party professionals selected and compensated by Buyer. In no event shall Seller have any liability or responsibility for any representation, warranty, statement made, or information furnished by Brokers or agents herein, or any other person or entity, concerning the Property, this Agreement, or any other matter, unless expressly set forth in writing and signed personally by Seller.

13. **OPPORTUNITY TO INSPECT; BUYER'S SOLE RELIANCE.** Buyer represents, warrants, acknowledges, and agrees that Buyer has been given the opportunity to inspect and investigate the Property and all other facts and circumstances deemed by Buyer relevant and significant, and to review information and documentation affecting the Property. In deciding to proceed with the sale, Buyer is relying solely on Buyer's own inspections and investigation of the Property (including by any outside professionals whom Buyer has elected to engage for such services) and review of such information and documentation, and not on any information provided or to be provided by Seller. Buyer further acknowledges and agrees that any information made available to Buyer or provided or to be provided by or on behalf of Seller with respect to the Property was obtained from a variety of sources and that neither Seller nor the Brokers and agents herein nor any other person has made or makes any representations as to the accuracy or completeness of such information. Buyer hereby fully and irrevocably releases all such sources and preparers of information and documentation affecting the Property which were retained or engaged by Seller or Brokers or agents from any and all claims that Buyer may now or hereafter have against such sources and preparers of information, for any costs, expenses, losses, liabilities, damages, demands, actions, or causes of action arising from any such information or documentation. **NEITHER SELLER NOR BROKERS HAVE PROVIDED OR WILL PROVIDE**

ANY LEGAL OR TAX ADVICE TO BUYER. Buyer is informed that Buyer must obtain any such advice, if desired by Buyer, from independent professionals selected and engaged by Buyer.

14. PHYSICAL, GEOLOGICAL, PEST CONTROL, AND ENVIRONMENTAL INSPECTIONS AND INVESTIGATIONS.

A. BUYER SHALL CONDUCT THOROUGH PHYSICAL, GEOLOGICAL, PEST CONTROL, AND ENVIRONMENTAL INSPECTIONS AND INVESTIGATIONS OF THE PROPERTY AS MAY BE DETERMINED BY BUYER, THROUGH QUALIFIED PROFESSIONALS SELECTED BY BUYER. Seller and Brokers and agents herein strongly recommend that Buyer fully exercise and not waive such inspections and investigations.

B. Buyer may at his sole discretion select and employ, at Buyer's expense, a licensed engineer(s), architect(s), contractor(s), geologist(s), pest control licensee(s), environmental consultant(s), or other qualified professional(s) to make inspection(s) and investigations of the Property, including, but not limited to, (i) its general structure, plumbing, heating, air conditioning (if any), electrical system, built-in appliances, cesspool/sewer/septic system, well, roof, soils, foundation, mechanical systems, pool, spa, related equipment and filters, sprinklers, and those other matters affecting the desirability of the Property (all if and only to the extent any such structures, systems, and components are presently a part of the Property); (ii) any actual or potential wood destroying pests or other conditions damaging to the Property or any portion thereof; (iii) environmental hazards, substances, products, or conditions, including without limitation, asbestos, formaldehyde, lead, lead-based paint, contaminated soil or water, fuel, chemical storage tanks, hazardous waste, electromagnetic fields, and radon gas, any of which may constitute a health risk; (iv) the presence or absence of any required governmental permits, inspections, applications, approvals, and certificates of occupancy, and compliance or lack of compliance with building codes and laws applicable to the Property; (v) plans and specifications for the Property; (vi) all applicable zoning, municipal, county, state, and federal, including those affecting the past, current, or any future use of the Property; (vii) deed restrictions and other matters of public record which may govern, restrict, condition, or prohibit the use, alteration, or development of the Property; and (viii) generally, without limitation, any and all other items and matters of whatsoever nature, character, or description, which Buyer deems material to Buyer's interests, in, on, or affecting the Property; and to approve or disapprove said inspection within the period and in the manner set forth in Paragraph 1.

C. In the event Buyer is dissatisfied with the results of such inspection(s), Buyer may give written Notice of Cancellation to Seller strictly as and within the time provided in Paragraph 1. Buyer's failure to give such notice as and within the period specified therein shall conclusively be deemed Buyer's satisfaction and removal of such contingency and Buyer's election to proceed with the Sale.

15. COMPLETE AGREEMENT; NO OTHER REPRESENTATIONS OR WARRANTIES. Seller shall not be liable or bound in any manner by any oral or written statements, representations, or information pertaining to the Property or the operation thereof, furnished by any real estate broker, agent, employee, contractor, or other person. Buyer further acknowledges and agrees Seller has no obligations to make repairs, replacements or

improvements except as may otherwise be expressly stated herein. Without limiting any other provision hereof, Buyer represents, warrants and covenants to Seller that, except for Seller's express representations and warranties specified in this Agreement, Buyer is relying solely upon Buyer's own investigation of the Property.

16. **WRITTEN AFFIRMATION OF SELLER REQUIRED.** Buyer understands that Seller may continue to receive and respond to other offers on the Property and may be making several Counter-Offer concurrently containing the same or different terms. This Counter-Offer shall not be binding until accepted by Buyer and executed by Buyer and Seller on the signature page below; and then approved by Seller, in Seller's sole discretion, in the form of the Seller's Affirmation of Agreement attached hereto as Exhibit "A" which, if so executed by Seller, will constitute Seller's agreement that Seller will sell the Property to Buyer, subject to Bankruptcy Court approval, the rights of any overbidding parties, and the terms and conditions of this Agreement. Buyer further acknowledges that it would be imprudent and unrealistic to rely upon the expectation of entering into a binding agreement regarding the subject matter of this Counter-Offer prior to receipt of Seller's Affirmation of Agreement, and further represents to Seller that any efforts to complete due diligence, to negotiate or obtain financing, or to perform any of the obligations provided herein shall not be considered as evidence of binding intent without Seller's Affirmation of Agreement, and understands that BUYER'S ACCEPTANCE HEREOF SHALL HAVE NO FORCE OR EFFECT PRIOR TO BUYER'S RECEIPT OF SUCH AFFIRMATION OF AGREEMENT SIGNED BY SELLER.

17. **ATTORNEYS' FEES.** In the event that either party hereto brings an action or other proceeding to enforce or interpret the terms and provisions of this Agreement, the prevailing party in that action or proceeding shall be entitled to have and recover from the non-prevailing party all such fees, costs and expenses (including, without limitation, all court costs and reasonable attorneys' fees) as the prevailing party may suffer or incur in the pursuit or defense of such action or proceeding.

18. **EXPIRATION OF COUNTER-OFFER.** This Counter-Offer shall expire if not accepted by Buyer by delivering a copy hereof, fully signed and initialed by Buyer, to Seller on or before close of business on March 14, 2014. Such acceptance shall nevertheless be subject to Paragraph 16.

[Signatures on Next Page]

AGREED AND ACCEPTED:

"BUYER"

The Bu Houses, LLC

By _____

Name Scott Gillen on the Behalf of The Bu Houses, LLC

Its Manager

Dated:

"SELLER" (subject to Paragraph 16)

By: Thomas P. Jeremiassen, solely in his capacity as Chapter 11 Trustee for Estate
Financial, Inc.

Dated:

AGREED AND ACCEPTED:

"BUYER"

The Bu Houses, LLC

By _____

Name _____

Its _____

Dated:

"SELLER" (subject to Paragraph 16)



By: Thomas P. Jeremiassen, solely in his capacity as Chapter 11 Trustee for Estate Financial, Inc.

Dated: 3/13/14

EXHIBIT "A"

SELLER'S AFFIRMATION OF AGREEMENT

Seller hereby acknowledges Buyer's acceptance of the foregoing Counter-Offer and affirmatively agrees to sell the Property to Buyer on the terms and conditions of the foregoing Agreement, but subject to Bankruptcy Court approval and rights any of overbidders. Seller shall revoke any other outstanding Counter-Offers made to other prospective buyers or make the same subject and subordinate to this agreement.

"SELLER"

Dated: 3/13/14

By: 

Thomas P. Jeremiassen, solely in his capacity as Chapter 11 Trustee for Estate Financial, Inc.

EXHIBIT "B"

Legal Description of Property

PARCEL 1: (PTN. 012-381-001)

THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER AND THE SOUTH HALF OF THE NORTHWEST QUARTER OF SECTION 23 OF TOWNSHIP 25 SOUTH, RANGE 9 EAST, M.D.B.M.

EXCEPTING THEREFROM ALL THAT PORTION THEREOF LYING WITHIN TRACT 381, AS PER MAP RECORDED IN BOOK 8, PAGE 5 OF MAPS, RECORDS OF SAN LUIS OBISPO COUNTY, CALIFORNIA.

ALSO EXCEPTING THEREFROM ALL THAT PORTION THEREOF LYING WITHIN TRACT 2162 PHASE 1 RECORDED IN BOOK 23, PAGE 1 OF MAPS.

ALSO EXCEPTING THEREFROM ALL OIL, GAS AND MINERALS, PROVIDED HOWEVER, THAT SAID RESERVATION AND RETENTION SHALL PERTAIN ONLY TO OIL, GAS AND MINERALS LYING BELOW 500 FEET FROM THE SURFACE OF SAID LAND, AND SAID DISTRICT, WITH RELATION TO SAID OIL, GAS AND MINERALS, SHALL HAVE NO RIGHT OF SURFACE ENTRY OR ANY RIGHT OF ENTRY INTO ANY PART OF THE LAND LYING WITHIN 500 FEET OF THE SURFACE OF THE LAND EXCEPT AS HEREINABOVE PROVIDED, AS RESERVED BY THE MONTEREY COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT IN DEED RECORDED JULY 3, 1968 IN BOOK 1481, PAGE 630 OF OFFICIAL RECORDS.

PARCEL 2: (PTN. 012-381-001)

THE WEST HALF OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 23 OF TOWNSHIP 25 SOUTH, RANGE 9 EAST, M.D.B.M.

EXCEPTING THEREFROM ALL THAT PORTION THEREOF LYING WITHIN TRACT 2162 PHASE 1, AS PER MAP RECORDED IN BOOK 23, PAGE 1 OF MAPS, RECORDS OF SAN LUIS OBISPO COUNTY, CALIFORNIA.

ALSO EXCEPTING THEREFROM ALL OIL, GAS AND MINERALS, PROVIDED HOWEVER, THAT SAID RESERVATION AND RETENTION SHALL PERTAIN ONLY TO OIL, GAS AND MINERALS LYING BELOW 500 FEET FROM THE SURFACE OF SAID LAND, AND SAID DISTRICT, WITH RELATION TO SAID OIL, GAS AND MINERALS, SHALL HAVE NO RIGHT OF SURFACE ENTRY OR ANY RIGHT OF ENTRY INTO ANY PART OF THE LAND LYING WITHIN 500 FEET OF THE SURFACE OF THE LAND EXCEPT AS HEREINABOVE PROVIDED, AS RESERVED BY THE MONTEREY COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT IN DEED RECORDED JULY 3, 1968 IN BOOK 1481, PAGE 630 OF OFFICIAL RECORDS.

PARCEL 3: (PTN. 012-381-001)

ALL THAT PORTION OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 15 OF TOWNSHIP 25 SOUTH, RANGE 9 EAST, M.D.B.M., LYING NORTHEASTERLY OF TRACT 381, AS PER MAP RECORDED IN BOOK 8, PAGE 5 OF MAPS, RECORDS OF SAN LUIS OBISPO COUNTY, CALIFORNIA.

EXCEPTING THEREFROM 1/16TH OF ALL COAL, OIL, OIL SHALE, GAS, PHOSPHATE, SODIUM AND OTHER MINERAL DEPOSITS IN SAID LAND AS RESERVED IN PATENT FROM THE STATE OF CALIFORNIA DATED DECEMBER 1, 1926 AND RECORDED DECEMBER 17, 1926 IN BOOK K, PAGE 394 OF PATENTS AND AS RESERVED TO THE STATE OF CALIFORNIA BY THE PROVISIONS OF THE ACT OF THE LEGISLATURE, STATUTES OF 1921, PAGE 404 AND AMENDMENTS THEREOF.

ALSO EXCEPTING THEREFROM 1/2 OF ALL OIL, GAS AND MINERALS THEREIN OWNED BY GRANTORS FOR A TERMS OF 25 YEARS UNLESS OIL, GAS OR MINERALS ARE PRODUCED IN COMMERCIAL QUANTITIES, THEN THEIR RIGHTS SHALL BE PERPETUAL, AS RESERVED BY ELI WRIGHT, ET AL., AS GRANTORS IN DEED DATED APRIL 11, 1960 AND RECORDED APRIL 15, 1960 IN BOOK 1059, PAGE 474 OF OFFICIAL RECORDS.

PARCEL 4: (PTN. 012-381-001)

ALL THAT PORTION OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 15 OF TOWNSHIP 25 SOUTH, RANGE 9 EAST, M.D.B.M., LYING EASTERLY OF TRACT 381, AS PER MAP RECORDED IN BOOK 8, PAGE 5 OF MAPS, RECORDS OF SAN LUIS OBISPO COUNTY, CALIFORNIA.

EXCEPTING THEREFROM 1/16TH OF ALL COAL, OIL, OIL SHALE, GAS, PHOSPHATE, SODIUM AND OTHER MINERAL DEPOSITS IN SAID LAND AS RESERVED IN PATENT FROM THE STATE OF CALIFORNIA DATED DECEMBER 1, 1926 AND RECORDED DECEMBER 17, 1926 IN BOOK K, PAGE 394 OF PATENTS AND AS RESERVED TO THE STATE OF CALIFORNIA BY THE PROVISIONS OF THE ACT OF THE LEGISLATURE, STATUTES OF 1921, PAGE 404 AND AMENDMENTS THEREOF.

ALSO EXCEPTING THEREFROM 1/2 OF ALL OIL, GAS AND MINERALS THEREIN OWNED BY GRANTORS FOR A TERMS OF 25 YEARS UNLESS OIL, GAS OR MINERALS ARE PRODUCED IN COMMERCIAL QUANTITIES, THEN THEIR RIGHTS SHALL BE PERPETUAL, AS RESERVED BY ELI WRIGHT, ET AL., AS GRANTORS IN DEED DATED APRIL 11, 1960 AND RECORDED APRIL 15, 1960 IN BOOK 1059, PAGE 474 OF OFFICIAL RECORDS.

PARCEL 5: (012-381-001)

THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER AND THE NORTH HALF OF THE SOUTHWEST QUARTER OF SECTION 14 OF TOWNSHIP 25 SOUTH, RANGE 9 EAST, M.D.B.M.

EXCEPTING THEREFROM 1/2 OF ALL OIL, GAS AND MINERALS THEREIN OWNED BY GRANTORS FOR A TERMS OF 25 YEARS UNLESS OIL, GAS OR MINERALS ARE PRODUCED IN COMMERCIAL QUANTITIES, THEN THEIR RIGHTS SHALL BE PERPETUAL, AS RESERVED BY ELI WRIGHT, ET AL., AS GRANTORS IN DEED DATED APRIL 11, 1960 AND RECORDED APRIL 15, 1960 IN BOOK 1059, PAGE 474 OF OFFICIAL RECORDS.

PARCEL 6: (PTN. 012-381-001)

THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 14 OF TOWNSHIP 25 SOUTH, RANGE 9 EAST, M.D.B.M.

EXCEPTING THEREFROM 1/2 OF ALL OIL, GAS AND MINERALS THEREIN OWNED BY GRANTORS FOR A TERMS OF 25 YEARS UNLESS OIL, GAS OR MINERALS ARE PRODUCED IN COMMERCIAL QUANTITIES, THEN THEIR RIGHTS SHALL BE PERPETUAL, AS RESERVED BY ELI WRIGHT, ET AL., AS GRANTORS IN DEED DATED APRIL 11, 1960 AND RECORDED APRIL 15, 1960 IN BOOK 1059, PAGE 474 OF OFFICIAL RECORDS.

PARCEL 7: (PTN. 012-381-001)

ALL THAT PORTION OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 14 OF TOWNSHIP 25 SOUTH, RANGE 9 EAST, M.D.B.M., LYING EASTERLY OF TRACT 381, AS PER MAP RECORDED IN BOOK 8, PAGE 5 OF MAPS, RECORDS OF SAN LUIS OBISPO COUNTY, CALIFORNIA.

EXCEPTING THEREFROM ALL THAT PORTION THEREOF LYING WITHIN TRACT 2162 PHASE 1 RECORDED IN BOOK 23, PAGE 1 OF MAPS.

ALSO EXCEPTING THEREFROM THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 14, 1/16TH OF ALL COAL, OIL, OIL SHALE, GAS, PHOSPHATE, SODIUM AND OTHER MINERAL DEPOSITS IN SAID LAND AS RESERVED IN PATENT FROM THE STATE OF CALIFORNIA DATED DECEMBER 1, 1926 AND RECORDED DECEMBER 17, 1926 IN BOOK K, PAGE 394 OF PATENTS AND AS RESERVED TO THE STATE OF CALIFORNIA BY THE PROVISIONS OF THE ACT OF THE LEGISLATURE, STATUTES OF 1921, PAGE 404 AND AMENDMENTS THEREOF.

ALSO EXCEPTING THEREFROM 1/2 OF ALL OIL, GAS AND MINERALS THEREIN OWNED BY GRANTORS FOR A TERMS OF 25 YEARS UNLESS OIL, GAS OR MINERALS ARE PRODUCED IN COMMERCIAL QUANTITIES, THEN THEIR RIGHTS SHALL BE PERPETUAL, AS RESERVED BY ELI WRIGHT, ET AL., AS GRANTORS IN DEED DATED APRIL 11, 1960 AND RECORDED APRIL 15, 1960 IN BOOK 1059, PAGE 474 OF OFFICIAL RECORDS.

PARCEL 8:

TOGETHER WITH THOSE EASEMENTS FOR INGRESS, EGRESS, PUBLIC UTILITIES AND INCIDENTAL PURPOSES OVER THOSE PORTIONS OF TRACTS 1291, 1293 AND 1294, COMMONLY KNOWN AS OAK SHORES DRIVE, SADDLE WAY, QUICK DRAW LANE, TURKEY COVE ROAD, CUTTER ROAD, LAKE VIEW DRIVE, PINE RIDGE ROAD AND SHORELINE ROAD AS STIPULATED AND MORE PARTICULARLY DESCRIBED IN THAT JUDGMENT RECORDED MAY 20, 1991, CASE NO. 64558, SAN LUIS OBISPO SUPERIOR COURT IN BOOK 3694, PAGE 362 OF OFFICIAL RECORDS.

PARCEL 9:

A NON-EXCLUSIVE EASEMENT APPURTENANT TO THAT PORTION OF SAID LAND DESIGNATED AS OPEN SPACE IN TENTATIVE TRACT MAP NO. 2124 FOR THE PURPOSES DESCRIBED THEREIN AS RESERVED IN THE DEED RECORDED JUNE 18, 1999 AS INSTRUMENT NO. 1999-044166 TO MICHAEL MILVERN HARRELL AND DIANNE PAULINE HARRELL, TRUSTEES OF THE HARRELL COMMUNITY PROPERTY TRUST DATED DECEMBER 4, 1997.

PARCEL 10:

A NON-EXCLUSIVE EASEMENT FOR THE INSTALLATION, OPERATION, MAINTENANCE, AND REPAIR OF WATER WELLS, PIPELINES, AND RELATED FACILITIES BELOW AN ELEVATION OF 810 FEET; AND THE INSTALLATION, MAINTENANCE AND REPAIR OF UTILITIES, WATER LINES, AND FOR INGRESS AND EGRESS, THE INSTALLATION, MAINTENANCE, MAINTENANCE, REPAIR, AND OPERATION OF SAN LUIS OBISPO COUNTY SEWER FACILITIES, FIRE DEPARTMENT FACILITIES, AND MAINTENANCE FACILITIES AND THE CONSTRUCTION, OPERATION, MAINTENANCE, AND REPAIR OF A WATER TREATMENT FACILITY AND INCIDENTAL PURPOSES RESERVED IN THE DOCUMENT RECORDED JUNE 18, 1999 AS INSTRUMENT NO. 1999-044166 OF OFFICIAL RECORDS.