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*Attorneys for the Colonial Stone Brook Apartment  
Homes II, LLC and Colonial Tidewater Realty Income  
Partners, LLC*

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**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF UTAH, CENTRAL DIVISION**

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SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

vs.

MANAGEMENT SOLUTIONS, INC., a  
Texas Corporation; WENDELL A.  
JACOBSON; ALLEN R. JACOBSON,

Defendants.

**COLONIAL STONE BROOK  
APARTMENT HOMES II, LLC'S  
OBJECTION TO THE RECEIVER'S  
MAY 14, 2015 CLAIMS ANALYSIS  
REPORT**

Case No. 2:11-cv-01165

Judge Bruce S. Jenkins

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Colonial Tidewater Realty Income Partners, LLC ("*Colonial Tidewater*"), by and through the undersigned counsel and on behalf of Colonial Stone Brook Apartment Homes II, LLC ("*Colonial Stone*"), herein submits its Objection to the Receiver's May 14, 2015 Claims Analysis Report. For the reasons set forth herein, the Court should disregard the proposed Claims Analysis Report (the "*Report*"), reclassify Colonial Stone as a Class 5 participant and

either pay the full amount of the Claim or, at a minimum, order the Receiver to reserve sufficient funds to satisfy Colonial Stone's claim entirely. Alternately, the Court should rescind Colonial Stone's previously lodged objection to the Receiver's proposed Plan of Distribution (the "*Plan*") and allow Colonial Stone's objections to the Plan to be heard.

### **BACKGROUND**

#### ***Colonial Tidewater, Colonial Stone, and Colonial Stone's Investment with MIS***

1. Colonial Tidewater is a Maryland limited liability company with 130 individual owners. *See* Declaration of Sherman T. Hill ¶ E, a true and correct copy of which is attached hereto as **Exhibit A**.

2. Colonial Tidewater has two managers, including Sherman T. Hill ("*Mr. Hill*") who has a .32% ownership interest in Colonial Tidewater. *See* Ex. A (Dec. S. Hill) ¶¶ C–E.

3. In June 2007, Colonial Tidewater made an initial capital investment of \$550,000 (the "*Initial Investment*") in an MSI entity known as Stone Brook Phase II. *See* Ex. A (Dec. S. Hill) ¶ F.

4. Colonial Tidewater made the Initial Investment through Colonial Stone, another Maryland limited liability company that Colonial Tidewater manages and in which it has a 50% ownership interest. *See* Ex. A (Dec. S. Hill) ¶ G.

5. While Colonial Stone has another owner—Wasatch Development, LLC—Colonial Tidewater contributed the full \$550,000 that made up the Initial Contribution, wholly and completely subordinating any claim of Wasatch to a return of the Initial Contribution amount to the Colonial Tidewater's claim to those same funds. *See* Ex. A (Dec. S. Hill) ¶ I.

6. Colonial Tidewater has not loaned and/or advanced any other funds to Stone Brook Phase II beyond the Initial Investment. *See* Ex. A (Dec. S. Hill) ¶ F.

7. Accordingly, on approximately September 2, 2014, Colonial Tidewater submitted a proposed claim on behalf of Colonial Stone seeking the full return of the Initial Investment (the “*Claim*”). *See* Claim, a true and correct copy of which is attached hereto as **Exhibit B**.

***The Receiver’s Proposed Plan of Distribution***

8. On February 27, 2015, Gil A. Miller, the Court-appointed receiver in this matter (the “*Receiver*”), submitted his proposed Plan, [Docket No. 2311-2](#), together with a Motion for Approval of the Plan (the “*Plan Motion*”), [Docket No. 2311](#).

9. On March 30, 2015, Colonial Stone, together with other claimants referred to as the “*BTJD Claimants*,” objected to the Plan and the Plan Motion (the “*BTJD Objection*”), [Docket No. 2395](#).

10. Colonial Stone, together with most of the BTJD Claimants, objected to the Plan generally and specifically to its classification as an “Insider” under the Plan and placed in “Class 9” of the Plan as a “Non-Participant” to the Plan. *Id.* at 6–7.

11. Colonial Stone observed, among other things, that the term “Insider” and its application to Colonial Stone was inappropriately based on an unfounded Ponzi presumption, that the Plan’s proposed definition and application of “Insider” status was so baseless and so broad as to render it meaningless (or worse—capture within its ambit practically every individual and entity involved with Management Solutions, Inc. “*MSI*”), and that the Plan, by its very terms, offended Due Process. *Id.* at 6–12.

***The BTJD Claimants' Conditional Stipulation to the Plan and the Plan Hearing***

12. Following discussions with the Receiver, the Receiver and the BTJD Claimants arrived at a Stipulated Withdrawal of the BTJD Objection (the “*Withdrawal*”), [Docket No. 2452](#).

13. In exchange for the Withdrawal, the Receiver agreed to, among other terms,
- a. “reclassify” the BTJD Claimants “as Class 5 Claimants under the Plan, subject to the Receiver’s claims process outlined in the Receiver’s [Plan Motion] and in Article V of the [Plan] (the ‘*Claims Process*’),” and
  - b. “reserve sufficient funds to pay any and all of the BTJD Claimants’ claims, on an equal footing and treatment as the Class 5 Claimants, in the event that any or all of the BTJD Claimants’ respective claims are deemed meritorious by the Receiver or by the Court.”

*Id.* at 2–3, ¶¶ 3, 8.

14. On April 13, 2015, the Court conducted a hearing on the Plan and the Plan Motion (the “*Plan Hearing*”). [Docket No. 2458](#).

15. At the Plan Hearing, the Court noted that contested matters existed and that objections to the Plan had been filed and asked the Receiver how much he had reserved “in the way of set-asides” for those contested matters, to which the Receiver’s counsel indicated the Receiver planned to “hold[ ] back” approximately \$30 million. *See* Transcript of Plan Hearing, 11:4–10.

16. This amount was again affirmed and reemphasized by the Receiver later in the Plan Hearing. *See id.* at 27:4–8.

17. At the close of the Plan Hearing, the Court again noted that the Receiver “set aside amounts or properties that currently enjoy an existing contest, and that makes sense because those that have a specific interest in either a specific property or a question as to classification or a question as to amount, the [R]eceiver has indicated that they have set aside about 30, \$31 million.” *Id.* at 36:9–16.

18. The Court ultimately approved the Plan, but in its ruling and order required the Receiver to “expressly point out that [the Receiver] ha[d] set aside and ha[d] left for future determinations those contests amongst those who have objected.” *Id.* at 38:25–39:5.

19. On April 14, 2015, the Court entered an Order Granting Motion for Approval of Plan of Distribution, [Docket No. 2459](#).

***Colonial Stone’s status as an Insider, the Claim Analysis Report,  
and Motion to Approve First Distribution***

20. On May 14, 2015, the Receiver filed a Motion to Approve Claims Analysis Report and attached his Report as Exhibit A thereto. [Docket No. 2522](#).

21. In the Report, the Receiver once again, and without explanation or new information, reclassified Colonial Stone as an Insider or Non-Participant to the Plan. [Docket No. 2522-1 at 23](#).

22. On that same day, May 14, 2015, the Receiver also filed a Motion to Approve First Distribution (the “***Distribution Motion***”). [Docket No. 2523](#).

23. In the Distribution Motion, the Receiver attached as Exhibit B a document titled “First Distribution – Reserved Amounts.” [Docket No. 2523-2](#).

24. Exhibit B purports to lay out all of the reserved amounts for current contested matters, and indicates that only \$22,104,485.72 has been set aside from those amounts. *Id.*

25. Notably, and contrary to the terms of the Withdrawal, Colonial Stone's Claim amount has not been adequately reserved. *See id.*

26. Indeed, although Colonial Stone Claim is for \$550,000, the Receiver has reserved no funds at all.

27. The Receiver has never given an official reason for Colonial Stone's original classification or reclassification as an Insider beyond commenting that Mr. Hill was personally involved in an alleged fraudulent sale. In making this comment the Receiver cited no facts indicating that Colonial Stone, Colonial Tidewater, or Colonial Tidewater's 129 other owners had any knowledge of or involvement in the alleged wrongful sale.

### **ARGUMENT**

As demonstrated above, and for the reasons set forth below, the Receiver has failed to live up to his commitments in the Withdrawal, continues to utilize an inappropriate "Insider" classification without reasonable scope or objective justification, making it impossible for it to determine (let alone contest) the merit of its classification as an insider. Accordingly, the Court should enforce the terms of the Withdrawal and order the Receiver to reclassify Colonial Stone as a Class 5 participant and either pay the full amount of the Claim or, at a minimum, order the Receiver to reserve adequate funds from the receivership estate to fully satisfy Colonial Stone's Claim. In the alternative, the Court should rescind the Withdrawal, reopen the BTJD Objection and hear out Colonial Stone's original objection.

**I. THE RECEIVER IMPROPERLY INDUCED THE WITHDRAWAL OF COLONIAL STONE’S OBJECTION TO THE PLAN OF DISTRIBUTION.**

The Withdrawal is a binding agreement between the BTJD Claimants (including Colonial Stone) and the Receiver. The Tenth Circuit has long held that such stipulated agreements, even in the midst of litigation, must be honored. *See L.P.S. v. Lamm* 708 F.2d 537, 539 (10th Cir. 1983) (holding that courts “cannot overlook or disregard stipulations which are absolute and unequivocal,” (quotation marks omitted)). As such, traditional contract remedies may be employed to ensure that the Withdrawal is enforced. Among those remedies available to contracting parties when a breach of contract is at issue are strict performance of the terms of the agreement or rescission of the agreement altogether. *See, e.g., World Alliance Consulting, Inc. v. DocPlanet.com, Inc.*, 57 Fed.Appx. 390, 392 (10th Cir. 2003) (observing that plaintiff in breach of contract claim may seek specific performance of the agreement); *Rosenfield v. HSBC Bank, USA*, 681 F.3d 1172, 1183 (10th Cir. 2012) (noting that party may “void a contract in equity— i.e., to make it such that the agreement [had] never been executed” (alteration in original) (internal quotation marks omitted)).

Here, the Withdrawal has already been breached by the Receiver. Indeed, even though the terms of the Withdrawal are clear and unambiguous and the Court itself emphasized those terms in its ruling on the Plan and the Plan Motion, the Receiver has failed to uphold his part of the bargain in the Withdrawal. As set forth below, the Receiver has failed to abide by the terms of the Withdrawal by (A) arbitrarily and without foundation reclassifying Colonial Stone (and by implication all 130 owners of Colonial Tidewater) as an Insider and (B) failing to reserve funds adequate to satisfy the full amount of Colonial Stone’s Claim. The Court should accordingly and strictly enforce the terms of the Withdrawal and order the Receiver to reclassify Colonial Stone

as a Class 5 participant and either pay the full amount of the Claim or, at least, reserve sufficient funds to cover Colonial Stone's \$550,000 claim. Alternately, the Court should rescind the Withdrawal altogether and allow Colonial Stone's objections to the Plan to be heard.

**A. Reclassifying Colonial Stone as an Insider Without New Information or an Objectively Reasonable, Lawful Definition of the Term Breaches the Withdrawal.**

As discussed above, the Receiver induced the withdrawal of the BTJD Objection by agreeing to "reclassify" the BTJD Claimants "as Class 5 Claimants under the Plan, subject to the Receiver's claims process outlined in the Receiver's [Plan Motion] and in Article V of the [Plan]." Now, only weeks after he first suggested that Colonial Stone was an "Insider" under the Plan and without applying an objective definition or application of that term, and without providing any real information or reason to Colonial Stone, the Receiver has once again insisted that Colonial Stone is an "Insider" and should not be a Plan participant. Indeed, the lack of any valid or objective basis for the Receiver's classification of Colonial Stone as an insider is highlighted by the Receiver's sole stated reason: Mr. Hill was personally involved in an allegedly fraudulent sale. Even if this allegation were true, however, Mr. Hill's wrongful personal conduct does permit the Receiver to refuse repayment of those amounts invested in MSI by Colonial Tidewater (of which Mr. Hill only owns .32%) and its 130 owners. *See, e.g.*, Utah Code Ann. § 48-2c-601 (stating that "no organizer, member, manager, or employee of a company is personally liable under a judgment, decree, or order of a court, or in any other manner, for a debt, obligation, or liability of the company or for the acts or omissions of the company or of any other organizer, member, manager, or employee of the company"); Md. Code Ann., Corps. & Ass'ns § 4A-301 (stating that "no member shall be personally liable for the



obligations of the limited liability company, whether arising in contract, tort or otherwise, solely by reason of being a member of the limited liability company”).

As discussed in the BTJD Objection, neither the term “Insider” nor its applicability in this matter generally and to Colonial Stone specifically has ever been adequately supported or defined by objective or valid evidence. The Receiver—and by extension the Plan—steadfastly ignores that there has been no actual finding that MSI was a Ponzi scheme or that there was any fraud at all in MSI’s business operations. In essence, the Plan and now the Report, reveal the Receiver’s intent to exclude Colonial Stone as an Insider, based entirely on a presumption that one of its members—a minority member with only .32%—at some time did something fraudulent. But the Court has already rejected this sort of analysis when it rejected the Receiver’s original motion for a Ponzi presumption.

Moreover, the Plan’s irredeemable definition of Insider remains. It is still not based on any statutory or common law definition. It is still not defined by any objective metrics, scope, or reason. Put simply, nothing but the Receiver’s gut has guided the Insider determination. Instead, the Plan still defines Insiders as those “individuals or entities that were involved in MSI’s investment scheme, and the affiliates of such individuals or entities.” Plan, [Docket No. 2311-2](#), at 5 ¶ 2.a. Thus, under the Receiver’s definition, *any* Investor who holds an Investor Claim is an MSI Insider and is barred from receiving any distribution from the Plan as a Non-Participant, so long as that Investor was “involved in MSI’s investment scheme” (itself an undefined term) at some point and in some fashion, or was ever “affiliated” with “such individuals or entities.” For the reasons set forth in the BTJD Objection, that cannot be the meaning of an “Insider” (if there is reason to have an “Insider” class at all).

But that nebulous definition is all that Colonial Stone has to guide it as it once again is placed on the Receiver's "naughty list." The Receiver has provided no valid reason or evidence supporting Colonial Stone's original classification (and subsequent reclassification) as an Insider. Instead, the Receiver simply made an illusory promise to secure the Withdrawal from the BTJD Claimants, and within a matter of days—and without any new analysis or information—put Colonial Stone right back in the "Insider" pool.

This Court has already determined that there is no place in this process for such baseless, generalized labels, when it concluded that

[b]urdensome as it may be, fairness demands *individual* examination. Due process does as well. Presumption is but a tool. It is not a shortcut or substitute for proof. In the finding of Ponzi schemes, it is applicable where appropriate and if not, *then proof of inappropriate activity on the part of a target, not the mere affixing of a label by the Receiver, is required.*

August 22, 2013 Memorandum Decision and Order (the "*Ponzi Order*"), [Docket No. 1215 at 42](#) (emphases added). But the Receiver has, once again, attempted to cast off his burden of *showing* that Colonial Stone itself was actually and individually involved in some "inappropriate activity." By placing Colonial Stone back in the Insiders pool without any individual examination or demonstration of inappropriate activity on the part of Colonial Stone, the Receiver has not only violated the Withdrawal, he has again ignored the Court's directive against such groundless labels.

Accordingly, the Court should specifically enforce the terms of the Withdrawal and compel the Receiver to reclassify Colonial Stone as a Class 5 participant and pay the Claim in full. Alternatively, the Receiver's unfounded reclassification of Colonial Stone as an Insider is

grounds to rescind the Withdrawal altogether and allow Colonial Stone to reassert its objections to the Plan generally.

**B. The Receiver's Failure to Reserve Adequate Funds to Satisfy The Full Amount of Colonial Stone's Claim Violates the Terms of the Withdrawal.**

In addition to agreeing in the Withdrawal to reclassify the BTJD Claimants as Class 5 participants, the Receiver also agreed to “reserve sufficient funds to pay any and all of the BTJD Claimants’ claims, on an equal footing and treatment as the Class 5 Claimants, in the event that any or all of the BTJD Claimants’ respective claims are deemed meritorious by the Receiver or by the Court.” Withdrawal at 3, ¶ 8. When pressed by the Court at the Plan Hearing, the Receiver insisted that he would reserve some \$30 million to cover the full amounts of contested claims. Background, *supra* ¶¶ 8–12.

The Receiver has utterly failed to comply with this obligation. In fact, in his Distribution Motion, the Receiver admits that he has only reserved \$22,104,485.72 to satisfy contested claims—nearly \$8 million less than the \$30 million he guaranteed to the Court would be set aside. [Docket No. 2523](#). Worse, and contrary to the terms of the Withdrawal, Colonial Stone’s Claim amount has not been reserved at all. *See id*, Exhibit B, [Docket No. 2523-2](#). Indeed, although Colonial Stone’s Claim amount had been \$550,000, the Receiver has no funds to cover that Claim.

The Receiver’s failure to reserve stands as an outright breach of the Withdrawal. Despite assurances to the BTJD Claimants, including Colonial Stone, that he would set aside funds to pay out their claims in full upon a successful appeal to the Receiver or to the Court, the Receiver has simply and conveniently assigned no value to the Claim so that he can issue an interim distribution at \$100 million. Given the express terms of the Withdrawal and the Receiver’s

assurances in open court that he would adequately reserve funds to satisfy all claims, the Court should not allow this preferential payout to stand, and should accordingly compel the Receiver to pay the Claim amount in full or, at least, reserve adequate funds to satisfy Colonial Stone's claim—a total of \$550,000. Alternatively, the Court should rescind the Withdrawal altogether and allow Colonial Stone to object to the Plan and propose an alternative, more equitable plan of distribution.<sup>1</sup>

**II. THE RECEIVER'S REFUSAL TO PROVIDE A DETAILED CLAIM ANALYSIS MAKES IT IMPOSSIBLE FOR COLONIAL STONE TO MAKE A DETERMINATION AS TO THE MERIT OF THE RECEIVER'S POSITION ON THE AMOUNT OF ITS CLAIM.**

With regard to Colonial Stone, the Receiver has not only reclassified it as an "Insider," but he has further failed to provide any kind of detailed claim analysis for Colonial Stone. The Receiver has refused to provide any sort of investor snap shot or other objective analysis as to the amount of Colonial Stone's Claim. Further, it appears that the Receiver has not even undertaken such an analysis, presumably believing that he would never need to consider Colonial Stone's Claim because Mr. Hill may receive a .32% share of any payout.

Colonial Stone has therefore been further singled out from the BTJD Claimants as something of an "Insider's Insider"—an entity to whom Receiver has *refused* to provide any kind of objective accounting analysis or rationale to support his notion that it participated in or committed fraud on an individualized basis. This is hardly the kind of equitable treatment that the Receiver has emphasized throughout the liquidation and distribution process—especially given that the Receiver's actions will exclude all 130 of Colonial Tidewater's owners from a

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<sup>1</sup> Given the Court's insistence that the Receiver reserve funds be set aside to satisfy claims before approving the Plan, perhaps rescission of the Withdrawal and giving the chance to Colonial Stone and other affected Claimants to object to and propose a more adequate Plan is the best option.

distribution under the Plan (based solely on the alleged personal actions of one member with a .32% interest). Accordingly, to comport with the Withdrawal, the Plan, this Court's own rulings against presumptive and foundationless labels, and equity generally, the Court should compel the Receiver to provide Colonial Stone with a detailed claim analysis that will allow Colonial Stone to better assess its own claim and the Receiver's calculation of that claim.

### **CONCLUSION**

For the reasons set forth above, the Court should enforce the terms of the Withdrawal and order the Receiver to [1] reclassify Colonial Stone as a Class 5 participant and [2] order the Receiver to either pay the full amount of Colonial Stone's Claim or reserve adequate funds from the receivership estate to fully satisfy the Claim. [3] In the alternative, the Court should rescind the Withdrawal, reopen the BTJD Objection and hear out Colonial Stone's original objection.

DATED this 28th day of May 2015.

BENNETT TUELLER JOHNSON & DEERE

/s/ Brigman L. Harman  
Barry N. Johnson  
Brigman L. Harman  
Eric Boyd Vogeler  
*Attorneys for the Colonial Stone Brook  
Apartment Homes II, LLC and Colonial  
Tidewater Realty Income Partners, LLC  
Attorneys for Colonial Tidewater*

**CERTIFICATE OF SERVICE**

I hereby certify that on this 28th day of May 2015, I electronically filed the foregoing **COLONIAL STONE BROOK APARTMENT HOMES II, LLC'S OBJECTION TO THE RECEIVER'S MAY 14, 2015 CLAIMS ANALYSIS REPORT** via the Court's CM/ECF system, which in turn effected service on all counsel of record.

/s/ Shauna Harmon

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**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF UTAH**

<p>SECURITIES AND EXCHANGE COMMISSION,</p> <p style="text-align: center;">Plaintiff,</p> <p>vs.</p> <p>MANAGEMENT SOLUTIONS, INC., a Texas Corporation; WENDELL A. JACOBSON; ALLEN R. JACOBSON,</p> <p style="text-align: center;">Defendants.</p>	<p><b>DECLARATION OF SHERMAN T. HILL IN SUPPORT OF OBJECTION TO RECEIVER’S MOTION APPROVE CLAIMS ANALYSIS REPORT</b></p> <p>Case No. 2:11-cv-01165</p> <p>Judge Bruce S. Jenkins</p>
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I, Sherman T. Hill, hereby verify and state as follows:

- A. I am over the age of eighteen.
- B. I have personal knowledge of the matters set forth in this Declaration.
- C. I am one of two managers of Colonial Tidewater Realty Income Partners, LLC

(“*Colonial Tidewater*”), a Maryland limited liability company.

D. In addition to serving as a manager of Colonial Tidewater, I also have a .32% ownership interest in that entity.

E. There are 130 other owners of Colonial Tidewater whose names and ownership percentages are as follows:

1.	Della Baker	2.97%
2.	Joanne R. Beck	1.32%
3.	Doreen B. Blank	2.13%
4.	Edward A. Blank	0.94%
5.	Edna C. Bradford	0.17%
6.	Bromwell Family, LLC	0.90%
7.	Jean Brown	0.67%
8.	Patricia E. G. Bucher	0.45%
9.	Re'nee Butler	0.37%
10.	Haru Chang	0.26%
11.	Haru Chang	0.16%
12.	James Dayton	0.60%
13.	Ray Ericson	0.51%
14.	Ray Ericson	4.18%
15.	Hazel O. Graham	0.94%
16.	Concetta and Steve Hamilton	0.43%
17.	Lanny R. Heffner	0.60%
18.	Warren L. Heffner	1.25%
19.	JoAnn P. Honchar	0.55%
20.	Joanne Jones	0.23%



21.	Frank Klukosky	0.91%
22.	Ethna McBride	0.82%
23.	William E. Moore	0.94%
24.	Ella Rawl	0.39%
25.	Mary T. Rimbach	0.16%
26.	Liza B. St. Luke	0.71%
27.	Arthur Todd	0.26%
28.	Sharon Tomko	0.89%
29.	Brian Washburn	0.16%
30.	Linda Almond	1.40%
31.	Phillip J. Ansell	0.32%
32.	Phillip J. Ansell	0.33%
33.	Thelma S. Asare	0.96%
34.	Diana Lynn Bennett	0.96%
35.	Barbara Bergmann	1.05%
36.	Martha M. Bergmann	0.32%
37.	Karen Bishop	0.30%
38.	Kenneth Blackburn	0.46%
39.	Carol A. Bogash	0.84%
40.	Linda Bridges	1.04%
41.	Crystal M. Bromwell	0.13%
42.	Elizabeth A. Bromwell	0.13%

43.	Mary N. Bromwell	0.13%
44.	Mary Jude Burke	1.94%
45.	J.F. Cain	0.63%
46.	Dale Cannella	1.27%
47.	Kevin F. Cavanaugh	0.32%
48.	Roy F. Choate, Jr.	2.49%
49.	Barbara Clark	0.49%
50.	Rosalie Clark	0.65%
51.	Rosalie Clark	0.15%
52.	Stephanie E. Davis	0.32%
53.	Edith de Russy	0.16%
54.	Edith de Russy	0.32%
55.	Raymond Druen	0.73%
56.	Kathy L. Dukes	0.23%
57.	Sarah W. Ensor	1.69%
58.	Allan H. Fenselau	0.58%
59.	Sigma Alpha Iota Fraternity	0.64%
60.	Gary D. Frederick	0.80%
61.	Katrine Galey	0.32%
62.	Frank Gargiulo	0.36%
63.	Lisa A. Garrison	0.49%
64.	Julie Glass	0.64%

65.	Maureen Glinowicki	0.30%
66.	James R. Glover, Trustee	1.08%
67.	James R. Glover, Trustee c/o	0.32%
68.	Christine R. Gray	0.32%
69.	Dennis A. Guerieri	0.32%
70.	Miriam Pauls Hardy	1.75%
71.	Marguerite Herman	0.23%
72.	Sherm Hill	0.32%
73.	Gregory J. Honchar	0.25%
74.	Roland H. Huebner	0.13%
75.	Roland H. Huebner	0.33%
76.	Kathleen Ruth Hughes	0.46%
77.	Calvin Jensen	0.80%
78.	Donald W. Johnson	0.63% %
79.	Jeff Jones	0.07%
80.	Joanne Jones	0.18%
81.	Mary Jones	0.76%
82.	Jennifer Jones Ramig	0.07%
83.	Joseph Kaplan	0.41%
84.	Margaret Kelly	0.72%
85.	Eleanore & William Kruse	0.89%
86.	Eleanore & William Kruse	0.36%

87.	William M. Latleif	0.32%
88.	C. Everett Latleif, Jr.	0.97%
89.	David Loetell	1.28%
90.	Joseph W. Loetell	0.55%
91.	Margery M. Lowens	3.69%
92.	Elizabeth Maskell	0.55%
93.	Jamie McGlaughlin	0.32%
94.	Barrett and Phyllis Miller	0.64%
95.	Barrett and Phyllis Miller	0.65%
96.	Robert S. Miller	0.48%
97.	Bruce Morris	0.16%
98.	Earl Myers	0.49%
99.	Robert Nagle	1.40%
100.	Deborah N. Nash	0.60%
101.	Mark Nowicki	1.13%
102.	Barbara Oshman	0.06%
103.	Karen Parsons	0.64%
104.	Mary M. Peach	0.48%
105.	Joan Petty	0.63%
106.	Sigma Alpha Iota Philanthropies, Inc.	1.26%
107.	K.W. Rantz	0.32%
108.	Brian Richardson	0.52%

109.	Eleanore P. Ripperger	1.24%
110.	Harry E. Russell Jr.	0.23%
111.	Bonnie L. Skane	0.26%
112.	Dorothy Slokan	0.03%
113.	Judy K. Smith	0.29%
114.	Earl Snyder	0.16%
115.	Laverne Snyder	0.15%
116.	Olaf Snyder	0.62%
117.	Anna Marie Sohn	0.16%
118.	Barbara A. Solomon	0.03%
119.	Allene Sullender	0.39%
120.	Allene Sullender	3.05%
121.	Francine Sullender	0.80%
122.	Francine Sullender	0.53%
123.	Regina Terrana	0.07%
124.	Norma C. Terry	0.83%
125.	Scott & Jo Vratarich	0.16%
126.	Adam H. Weber, Jr.	0.62%
127.	John Weller	0.52%
128.	Linda H. Wilson	0.32%
129.	Nancy Woodring	1.53%
130.	Nancy Woodring	1.78%



**Colonial Tidewater Realty Income Partners, LLC**  
**4515 King George Court**  
**Perry Hall, MD 21128**

September 2, 2014

Management Solutions Receivership  
Attention: Claim Filing  
P.O. Box 1290  
Salt Lake City, Utah 84110-1290

Re: Management Solutions Receivership Claim Form  
On Behalf of Colonial Stone Brook Apartment Homes II, LLC

To Whom it May Concern:

Please find enclosed the Claim Form submitted by Colonial Tidewater Realty Income Partners, LLC, on behalf of Colonial Stone Brook Apartment Homes II, LLC.

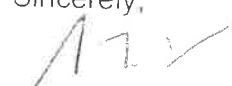
All correspondence and questions related to this Claim Form should be directed to:

Colonial Stone Brook Apartment Homes II, LLC  
c/o Colonial Tidewater Realty Income Partners, LLC  
4515 King George Court  
Perry Hall, MD 21128

(410) 529-8187

Thank you.

Sincerely,

  
Sherman T. Hill  
Managing Member, Wasatch Development, LLC,  
The Managing Member of Colonial Tidewater Realty Income Partners, LLC

Encl: Claim Form

## Claim Form

### Section I - Determine Your Claim Category

Using the above definitions, determine the correct category of your claim based upon the circumstances under which your claim arises. The available categories are Priority Claimant, Secured Lender, TIC Claimant, Investor Claimant, Personal Injury Claimant, or Vendor. The category of your claim may change if it is determined you have selected an incorrect category. Depending on your individual circumstances, you may have multiple categories of claims. If so, please complete each section of the Claim Form that may apply.

### Section II - General Information (To be completed by ALL CLAIMANTS)

1. Claimant Name (if Claimant is a married couple, list both names):

**Colonial Stone Brook Apartment Homes II, LLC, ("CSBAH II, LLC")**

2. Claimant address, phone number and email address (the Claimant has a continuing obligation to keep the Receiver informed of its current address):

**Colonial Stone Brook Apartment Homes II, LLC  
c/o Colonial Tidewater Realty Income Partners, LLC  
4515 King George Court  
Perry Hall, MD 21128**

3. If Claimant is a Company, please provide the Federal Employer Identification Number of Claimant, if applicable. Social security numbers are not required at this time.

**26-2126333**

4. If Claimant is represented by an attorney, provide the name, address, phone number, and email address of the attorney:

**None.**

5. A. If Claimant is currently or was at any time related by blood or marriage to Wendell A. Jacobson, Melba Jacobson, Allen R. Jacobson, Cami



Jacobson, or any of the individuals identified as Receivership Entities, explain that relationship:

**No.**

B. If Claimant is currently or was at any time employed by Wendell A. Jacobson, Melba Jacobson, Allen R. Jacobson, Cami Jacobson, or any of the individuals or entities identified as Receivership Entities, explain that employment relationship:

**No.**

**Section III - Priority Claimants (To be completed only by Priority Claimants)**

6. through 11.

**NOT APPLICABLE.**

**Section IV - Secured Lender Claimants (To be completed only by Secured Lender Claimants)**

12. through 22.

**NOT APPLICABLE.**

**Section V - TIC Claimants (To be completed only by TIC Claimants)**

23. Identify each property in which you claim a TIC Interest as of the Receiver Appointment Date:

**Stone Brook Phase II**

24. Identify the date and amount of each and every payment (whether cash or property) made by you to a Receivership Entity. Do not include Rollover

Payments in this response (see question 35 below). State the purpose of each payment, such as investment, loan, etc. Provide copies of checks or wire transfer records demonstrating each payment or, if not available, provide copies of other records demonstrating such payment.

**Not applicable – see 35 below.**

25. Identify the date and amount of each and every payment received by you from or on behalf of a Receivership Entity for any reason, including rent, lease payments, interest, principal, return of capital, profit from sale of a property, fees, reimbursement of expenses, or commissions. Provide copies of checks demonstrating each payment or, if checks are not available, provide copies of other records demonstrating such payment. Do not report Rollover Payments (see question 35 below). Report only transactions in which you received cash.

**None.**

26. For each payment identified in response to #25, above, state the reason for the payment, such as rent, lease payment, interest, principal, return of capital, profit from sale of a property, fees, reimbursement of expenses, or commissions.

**Not applicable.**

27. Are you owed any money by any Receivership Entity with regard to your TIC Interest? If yes, identify the Receivership Entity which owes the money, explain the reason why it is owing, state the amount owing as of the Receiver Appointment Date, and show how the amount was calculated,

**Claimant, Colonial Stone Brook Apartment Homes II, LLC, has not loaned and/or advanced funds to Stone Brook Phase II, other than those funds which constitute CSBAH II, LLC's initial investment in Stone Brook Phase II. Therefore, any amount due and owing to CSBAH II, LLC would be any share of, return on and or return of any amounts generated by the operation, refinancing, and or sale or other distribution by or from Stone Brook Phase II related to CSBAH II, LLC's investment in Stone Brook Phase II.**

a. **The Receivership Entity which owes the money:**

**Stone Brook Phase II**

b. The reason why it is owing:

On or about June of 2007, Colonial Tidewater Realty Income Partners, LLC, ("CTRIP LLC") owner of CSBAH II, LLC, through CSBAH II, LLC, invested \$550,000 in Stone Brook Phase II. The \$550,000 was CTRIP LLC's net sales proceeds from the sale of CTRIP LLC's investment in San Marin Corpus Christie, LTD.

c. The amount owing as of the Receiver Appointment Date:

\$550,000 plus any share of, return on and or return of any amounts generated by the operation, refinancing, and or sale or other distribution by or from Stone Brook Phase II on or prior to Receiver Appointment Date related to CSBAH II, LLC's investment in Stone Brook Phase II.

d. Show how the amount was calculated:

As CSBAH II, LLC has no specific information as to the value of and or any return on and or return of any amounts generated by the operation, refinancing, and or sale or other distribution by or from Stone Brook Phase II on or prior to Receiver Appointment Date related to CSBAH II, LLC's investment in Stone Brook Phase II, CSBAH II, LLC is not currently able to accurately determine the amount due and owing from Stone Brook Phase II to CSBAH II, LLC.

28. Provide a copy of each deed you purport granted you TIC Interests. Indicate whether you possess original deed(s).

**Not applicable.**

29. If you claim a Recorded TIC Interest and the copy of the deed provided in response to #24, above, does not show the recording information, provide the name of the office where the deed was recorded, date of recording, entry number, and, if applicable, the recording book and page:

**Not applicable.**

30. Provide copies of all documents associated with the acquisition of your TIC Interest, such as Purchase and Sale Agreement, Bill of Sale, Assignment, Closing Of Settlement Statement, and 1031 Exchange documents.

**See Exhibit A – attached hereto.**

31. Did you enter into any agreement, written or oral, for another Person to manage or take care of the property in which you owned a TIC Interest?

**Yes.**

32. If your answer to #31 is yes, and the agreement was written, provide a copy of the agreement.

**Not applicable.**

33. If your answer to #31 is yes, and the agreement was oral, identify all parties to the agreement, the date the agreement was made, and the terms of the agreement.

**a. Identify all parties to the agreement:**

**Allen B. Jacobson on behalf of Stone Brook Idaho, LLC, Management Solutions, Inc., and Stone Brook Phase II**

**Sherman T. Hill on behalf of Colonial Stone Brook Apartment Homes II, LLC and Colonial Tidewater Realty Income Partners, LLC.**

**b. The date the agreement was made:**

**On or about June 2007.**

**c. The terms of the agreement:**

**The agreement was negotiated at the time of the sale of San Marin Corpus Christie, LTD, in June of 2007. The parties agreed that CTRIP LLC would reinvest CTRIP LLC's share of the net proceeds from the sale of San Marin Corpus Christie, LTD, into land zoned for multifamily use in Rexburg, Idaho.**

The land in Rexburg, Idaho, was to be developed as the second phase of the Stone Brook multifamily project. Allen Jacobson, through Management Solutions, Inc., as the developer of phase two of the project, and as the Manager of Stone Brook Idaho, LLC, the initial phase of the project, would be responsible for the organization of the investment and any related documentation; the financing, development, leasing and operation of the project; and the recordkeeping and tax filings for the project.

34. Have you made payments to any Person concerning your TIC Interest or pursuant to any agreement identified in response to #31, above, since acquiring your TIC Interest, excluding income tax payments based on income generated by your TIC Interest? Examples would include property taxes, homeowners association dues or assessments, repairs or improvements to the property, utilities, management fees, etc. If yes, identify the date and amount of each payment made by you, and the payee and the purpose of the payment. Provide copies of checks or wire transfer records demonstrating each payment or, if not available, provide copies of other records demonstrating such payment.

**No.**

35. Identify the date and amount of each and every Rollover Payment concerning your TIC Interest to a Receivership Entity. Provide copies of records evidencing each transfer.

**As noted above at 27a, on or about June of 2007, Colonial Tidewater Realty Income Partners, LLC, ("CTRIP LLC") owner of CSBAH II, LLC, through CSBAH II, LLC, invested \$550,000 in Stone Brook Phase II. The \$550,000 was CTRIP LLC's net sales proceeds from the sale of CTRIP LLC's investment in San Marin Corpus Christie, LTD.**

**All transfers of CTRIP LLC's net proceeds from the sale of San Marin Corpus Christie, LTD, to Management Solutions Inc., and or to any other Management Solutions Inc. related entity were handled by Management Solutions Inc. or a Management Solutions Inc. related entity.**

**CTRIP LLC and CSBAH II, LLC received confirmation of CSBAH II, LLC's investment in Stone Brook Phase II in March of 2008. See Exhibit A,**

36. Provide the following information as to representations or promises made to you by any Person concerning your TIC Interest and any agreement identified in response to #31, above:

a. Identify who made the representations or promises to you:

**Allen R. Jacobson**

b. What would be done with your money paid for your TIC Interest (for example, what Investor LLC would receive your money and what property would be purchased with that money)?

**CTRIP LLC's net proceeds from the June 2007 sale of San Marin Corpus Christie, LTD, would be used to purchase a 50% (Fifty Percent) interest in land in Rexburg, Idaho – land zoned for multifamily development and slated for development as phase two of the Stone Book Apartments. CTRIP LLC would invest the proceeds and hold its 50% (Fifty Percent) TIC interest through a newly formed entity, Colonial Stone Brook Apartment Homes II, LLC.**

c. The ownership, value, liabilities, liens and financing of the property in which you acquired your TIC Interest:

**Due to lack of information, CSBAH II, LLC is unable to accurately determine at this time.**

d. Promised returns to you:

**CSBAH II, LLC, acquired a 50% (Fifty Percent) TIC interest in the land to used and subsequently developed as Stone Brook Phase II. CSBAH II, LLC was promised a 50% (Fifty Percent) share of, return on and or return of any amounts generated by the operation, refinancing, and or sale or other distribution by or from Stone Brook Phase II.**

e. Safety and risk concerning your investment:

**Allen R. Jacobson, in a variety of capacities, including, but not limited to, as the representative of Management Solutions Inc.; as the Manager of Stone Brook Idaho LLC (the owner, developer and manager of phase I of the Stone Brook Apartments project); and as the manager and developer of the second phase of the Stone Brook Apartments – made a number of representations as to the availability, suitability, safety and risk of investment in the Stone Brook Apartments project. Those representations included, but are not limited to: that the land for the second phase of the Stone Brook Apartments was owned and controlled by Jacobson controlled entity; that a 50% (Fifty Percent) interest in the land was available for CSBAH II, LLC to acquire; that the land in Rexburg planned for development as phase two of the Stone Brook Apartments was properly zoned for multifamily use and ready for development; that Jacobson, Management Solutions Inc., and their related entities had the capabilities and experience to properly finance, develop and manage phase two of the Stone Brook Apartments; and that there was sufficient demand for additional multifamily housing in the Rexburg market sufficient to support the profitable development and leasing of phase two of the Stone Brook Apartments.**

f. Provide copies of all letters, emails, agreements, brochures and other documents evidencing these representations and promises.

**See Exhibit A.**

37. Provide copies of all statements or accountings you received concerning your TIC Interest.

**None.**

38. If the Claimant is a Company, not an individual:

a. Identify the type of organization and state in which the Company is organized:

**Colonial Stone Brook Apartment Homes II, LLC, is a limited liability company organized in the State of Maryland.**

b. Identify all Principals of the Company and the percentage ownership of each Principal. If any Principal is a Company, identify the Principals of each Company down through each level until individuals are identified.

**100% of the membership interest in Colonial Stone Brook Apartment Homes II, LLC, is owned by Colonial Tidewater Realty Income Partners, LLC, a limited liability company organized in the State of Maryland.**

**CTRIP LLC is the sole and Managing Member of CSBAH II, LLC.**

**Sherman T. Hill is the sole officer and director of CSBAH II, LLC. Mr. Hill is also the Managing Member of Wasatch Development, the Managing Member of CTRIP LLC.**

**A list of the members of CTRIP LLP is attached hereto as Exhibit B.**

c. If the TIC Interest was acquired on behalf of Persons other than Principals in the Company, identify those Persons.

**Not applicable.**

**Section VI - Investor Claimants (To be completed only by Investor Claimants)**

39. through 46.

**NOT APPLICABLE.**

**Section VII- Vendor Claimants (To be completed only by Vendor Claimants)**

47. through 50.

**NOT APPLICABLE.**



**Section VIII - Personal Injury Claimants (To be completed only by Personal Injury Claimants)**

51. through 53.

**NOT APPLICABLE.**

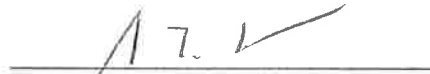
The undersigned declares under penalty of perjury pursuant to 28 United States Code § 1746 that the foregoing is true and correct.

Executed on 9/2, 2014.

For Companies:

Company Name: **Colonial Stone Brook Apartment Homes II, LLC**

By:



Printed Name:

**Sherman T. Hill**

Title:

**Manager**

EIN:

**26-2126333**

**EXHIBIT A**

**To Colonial Stone Brook Apartment Homes II, LLC Receivership Claim Form**

STONEBROOK IDAHO, LLC  
P.O. BOX 400  
FOUNTAIN GREEN, UT 84632

March 8, 2008

RE: Colonial Stonebrook, LLC ownership interest in land

To Whom It May Concern:

This letter serves as confirmation that Colonial Stonebrook, LLC owns 50% of the property located in Rexburg, Idaho zoned for multifamily units.

Sincerely,



Allen R. Jacobson, ~~Manager~~  
Stonebrook Idaho, LLC

**EXHIBIT B**  
**To Colonial Stone Brook Apartment Homes II, LLC Receivership Claim Form**

FORM 1000		PARTNER PERCENTAGES		STATEMENT 14
PARTNER NUMBER	PARTNER NAME	BEGINNING OF YEAR		
		PROFIT	LOSS	CAPITAL
1	ALLENE SULLENDER FAMILY LIMITED PARTNERSHIP	.037504340	.037604340	.025560293
2	ANNA MARIE SOHN - IRA	.001769616	.001769616	.002976964
3	DELLA BAKER	.032515632	.032515632	.000000000
4	JOANNE BECK	.014454664	.014454664	.016251808
5	BARBARA A BERGMANN	.011468928	.011468928	.014953521
6	MARTHA M BERGMANN	.003539232	.003539232	.005901259
7	KAREN BISHOP	.003245532	.003245532	.002647463
8	KENNETH BLACKBURN	.005073666	.005073666	.005736381
9	DOREEN B BLANK	.023255125	.023255125	.019705723
10	EDWARD BLANK	.010327302	.010327302	.011815368
11	CAROL A BOGASH	.009166611	.009166611	.011271754
12	LINDA BRIDGES	.011387682	.011387682	.007364552
13	CRYSTAL M BROMWELL	.001428729	.001428729	.000419828
14	ELIZABETH A BROMWELL	.001428729	.001428729	.000753019
15	MARY N BROMWELL	.001428729	.001428729	.000753910
16	BROMWELL FAMILY LLC	.009864437	.009864437	.009820675
17	JEAN BROWN	.007375653	.007375653	.010683486
18	PATRICIA E G. BUCHER	.004872415	.004872415	.001669263
19	MARY J BURKE	.021235392	.021235392	.033556114
20	RE'NEE BUTLER	.004049731	.004049731	.000000000
21	J F CAIN	.006936895	.006936895	.008186143
22	DALE CANNELLA	.013891486	.013891486	.019000157
23	KEVIN F CAVANAUGH	.003539232	.003539232	.005623537
24	C. EVERETT LATLEIF, JR - IRA	.010617696	.010617696	.010738572
25	HARU CHANG	.002843849	.002843849	.002391876
26	ROY F CHOATE, JR C/O CAROLYN CHOATE T	.027267022	.027267022	.010656388
27	BARBARA CLARK	.003643297	.003643297	.006173003
28	ROSALIE CLARK	.008710050	.008710050	.006433042
29	STEPHANIE E DAVIS	.003468447	.003468447	.003809624
30	JAMES DAYTON	.006591643	.006591643	.006214222
31	EDITH DE RUSSY	.003463138	.003463138	.005289328
32	DIANE LYNN BENNETT - IRA	.010511519	.010511519	.015983118
33	DONALD W. JOHNSON - IRA	.006931413	.006931413	.006853888

STATEMENT(S) 13, 14

## COLONIAL TIDEWATER REALTY INCOME PARTNER

52-2083357

34	RAYMOND DRUEN	.011555592	.011555592	.015496372
35	KATHY DUKES	.002522742	.002522742	.001628043
36	EARL MYERS - IRA	.005308848	.005308848	.008959391
37	EDITH DE RUSSY - IRA	.001782831	.001782831	.002021664
38	ELAINE C. GEISZ RESIDUARY TRUST JIM G	.011831405	.011831405	.005032469
39	ELEANOR KRUSE FAMILY LLC	.009736463	.009736463	.011083976
40	SARAH W ENSOR	.018486095	.018486095	.025434471
41	RAY ERICSON	.045699246	.045699246	.056296687
42	ALLAN H FENSELAU	.006306911	.006306911	.010179946
43	FRANCINE SULLENDER - IRA	.005832879	.005832879	.009615977
44	FRANK GARGIULO - IRA	.003889071	.003889071	.003960380
45	GARY D FREDERICK	.008755416	.008755416	.014366652
46	KATRINE GALEY	.003539232	.003539232	.003630243
47	LISA A GARRISON	.005308848	.005308848	.008957991
48	RACHEL GEISZ-LOETELL	.003539232	.003539232	.007802064
49	JULIE GLASS	.006972287	.006972287	.007872926
50	MAUREEN GLINOWICKI	.003252023	.003252023	.002616930
51	JIM GLOVER	.000000000	.000000000	.000000000
52	HAZEL O GRAHAM	.010292041	.010292041	.001107838
53	CHRISTINE R GRAY	.003539232	.003539232	.006136745
54	DENNIS A GUERIERI	.003539232	.003539232	.005825181
55	CONCETTA AND STEVE HAMILTON	.004729922	.004729922	.004569768
56	MIRIAM P HARDY C/O DR. ELIN GURSKY, P	.019102394	.019102394	.026964682
57	HARU CHANG - IRA	.001754604	.001754604	.000696406
58	LANNY R HEFFNER	.006541209	.006541209	.006081658
59	WARREN L HEFFNER	.013619673	.013619673	.011266156
60	SHERMAN HILL	.003539232	.003539232	.000000000
61	GREGORY J HONCHAR	.002757734	.002757734	.003812296
62	JOANNE P HONCHAR	.006055220	.006055220	.006759363
63	ROLAND H HUEBNER	.002173492	.002173492	.003503022
64	KATHLEEN HUGHES	.005045511	.005045511	.003260412
65	CALVIN JENSEN	.008770222	.008770222	.011229135
66	JOANNE JONES - IRA	.002548247	.002548247	.000450997
67	JOHN WELLER - IRA	.005662771	.005662771	.009688492
68	MARY JONES ROBERT JONES, JT	.008284988	.008284988	.003760008
69	JEFF JONES	.000737598	.000737598	.000018447
70	JENNIFER JONES RAMIG	.000737598	.000737598	.000018065
71	JOANNE JONES	.001946578	.001946578	.001183407
72	JOSEPH KAPLAN - IRA	.004530414	.004530414	.004533637
73	THOMAS KEMP	.007078464	.007078464	.005912709
74	FRANK KLUKOSKY DIANE KLUKOSKY, JT	.009997212	.009997212	.005360444
75	ELEANOR KRUSE	.003893155	.003893155	.000456722
76	LINDA ALMOND - IRA	.015307353	.015307353	.014612951
77	DAVID LOETELL	.013975290	.013975290	.015673336
78	JOSEPH W LOETELL	.005965006	.005965006	.007543551
79	DR. MARGERY MORGAN LOWENS	.040306685	.040306685	.027602185
80	MARGARET KELLY - IRA	.007849547	.007849547	.009494863
81	MARY M PEACH - IRA	.005220367	.005220367	.007622047
82	ELIZABETH MASKELL	.006032135	.006032135	.006485075
83	ETHNA MCBRIDE EDDIE MCBRIDE, JT	.008948099	.008948099	.008670091
84	JAMIE MCGLAUGHLIN	.003512688	.003512688	.002868572

## COLONIAL TIDEWATER REALTY INCOME PARTNER

52--2083357

85	BARRETT A MILLER	.014086143	.014086143	.017556075
86	WILLIAM E MOORE	.010299165	.010299165	.005785107
87	BRUCE MORRIS	.001769616	.001769616	.002959535
88	ROBERT NAGLE	.015289229	.015289229	.018750041
89	DEBORAH J NASH	.006612473	.006612473	.010576747
90	MARK NOWICKI	.012387312	.012387312	.019426601
91	BARBARA OSHMAN	.000707846	.000707846	.001156436
92	KAREN PARSONS	.006954591	.006954591	.009764443
93	JOAN P PETTY	.006908581	.006908581	.008932038
94	PHILLIP J ANSELL - IRA	.007128140	.007128140	.009569541
95	K.W. RANTZ	.003539232	.003539232	.003985697
96	RUDOLPH RAWL ELLA RAWL, JT	.004247078	.004247078	.002424827
97	RAY ERICSON - IRA	.005549385	.005549385	.007067492
98	BRIAN S RICHARDSON B/O M. RICHARDSON,	.005664859	.005664859	.006246791
99	MARY T RIMBACH	.001769616	.001769616	.000899578
100	ELEANOR P RIPPERGER	.013589943	.013589943	.010851544
101	ROBERT S MILLER - IRA	.005273456	.005273456	.007536809
102	ROLAND HUEBNER - IRA	.001415693	.001415693	.002367577
103	ELIZABETH ROUCHKA	.008930966	.008930966	.015485940
104	HARRY RUSSELL, JR	.002522742	.002522742	.001628298
105	SIGMA ALPHA IOTA FRATERNITY C/O RUTH	.007007679	.007007679	.004334537
106	SIGMA ALPHA IOTA PHILANTHROPIES, INC.	.013810083	.013810083	.019116691
107	BONNIE L SKANE	.002803072	.002803072	.003097824
108	DOROTHY SLOKAN	.000353923	.000353923	.000210932
109	JUDY K SMITH	.003185309	.003185309	.005523287
110	LAVERNE SNYDER	.005893529	.005893529	.005798720
111	OLAF SNYDER	.006727619	.006727619	.010992759
112	BARBARA SOLOMON	.000353923	.000353923	.000000000
113	LIZA B ST. LUKE C/O ANREA CONNEELY	.007771175	.007771175	.005188060
114	FRANCINE SULLENDER	.008765570	.008765570	.001422582
115	NORMA C TERRY	.009047162	.009047162	.004030225
116	REGINA TERRANA	.000737598	.000737598	.000018065
117	THELMA ASARE - IRA	.010511519	.010511519	.013691237
118	WILLIAM TODD	.002831386	.002831386	.002397983
119	SHARON TOMKO	.009748814	.009748814	.008984580
120	SCOTT VRATARICH	.001769616	.001769616	.003062329
121	WASATCH DEVELOPMENT, LLC	.000000000	.000000000	.000988378
122	BRIAN WASHBURN	.001769616	.001769616	.000924004
123	ADAM WEBER, JR	.006815127	.006815127	.003147949
124	WILLIAM LATLEIF - IRA	.003539232	.003539232	.003579736
125	LINDA WILSON	.003468447	.003468447	.003659122
126	NANCY WOODRING	.036222669	.036222669	.039600878
TOTAL PARTNER PERCENTAGES		1.000000000	1.000000000	1.010059717

**EXHIBIT A**

**To Colonial Stone Brook Apartment Homes II, LLC Receivership Claim Form**

STONEBROOK IDAHO, LLC  
P.O. BOX 400  
FOUNTAIN GREEN, UT 84632

March 8, 2008

RE: Colonial Stoneybrook, LLC ownership interest in land

To Whom It May Concern:

This letter serves as confirmation that Colonial Stoneybrook, LLC owns 50% of the property located in Rexburg, Idaho zoned for multifamily units.

Sincerely,



Allen R. Jacobson, Manager  
Stonebrook Idaho, LLC

**EXHIBIT B**  
**To Colonial Stone Brook Apartment Homes II, LLC Receivership Claim Form**

FORM 1065		PARTNER PERCENTAGES		STATEMENT 14
PARTNER NUMBER	PARTNER NAME	BEGINNING OF YEAR		
		PROFIT	LOSS	CAPITAL
1	ALLENE SULLENDER FAMILY LIMITED PART	.037604340	.037604340	.025560293
2	ANNA MARIE SOHN - IRA	.001769616	.001769616	.002976964
3	DELLA BAKER	.032515632	.032515632	.000000000
4	JOANNE BECK	.014454664	.014454664	.016251808
5	BARBARA A BERGMANN	.011468928	.011468928	.014953521
6	MARTHA M BERGMANN	.003539232	.003539232	.005901259
7	KAREN BISHOP	.003245532	.003245532	.002647463
8	KENNETH BLACKBURN	.005073666	.005073666	.005736381
9	DOREEN B BLANK	.023255125	.023255125	.019705723
10	EDWARD BLANK	.010327302	.010327302	.011815368
11	CAROL A BOGASH	.009166611	.009166611	.011271754
12	LINDA BRIDGES	.011387682	.011387682	.007364552
13	CRYSTAL M BROMWELL	.001428729	.001428729	.000419828
14	ELIZABETH A BROMWELL	.001428729	.001428729	.000753019
15	MARY N BROMWELL	.001428729	.001428729	.000753910
16	BROMWELL FAMILY LLC	.009864437	.009864437	.009820675
17	JEAN BROWN	.007375653	.007375653	.010683486
18	PATRICIA E G. BUCHER	.004872415	.004872415	.001669263
19	MARY J BURKE	.021235392	.021235392	.033556114
20	RE'NEE BUTLER	.004049731	.004049731	.000000000
21	J F CAIN	.006936895	.006936895	.008186143
22	DALE CANNELLA	.013891486	.013891486	.019000157
23	KEVIN F CAVANAUGH	.003539232	.003539232	.005623537
24	C. EVERETT LATLEIF, JR - IRA	.010617696	.010617696	.010738572
25	HARU CHANG	.002843849	.002843849	.002391876
26	ROY F CHOATE, JR C/O CAROLYN CHOATE T	.027267022	.027267022	.010656388
27	BARBARA CLARK	.003643297	.003643297	.006173003
28	ROSALIE CLARK	.008710050	.008710050	.006433042
29	STEPHANIE E DAVIS	.003468447	.003468447	.003809624
30	JAMES DAYTON	.006591643	.006591643	.006214222
31	EDITH DE RUSSY	.003463138	.003463138	.005289328
32	DIANE LYNN BENNETT - IRA	.010511519	.010511519	.015983118
33	DONALD W. JOHNSON - IRA	.006931413	.006931413	.006853888

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## COLONIAL TIDEWATER REALTY INCOME PARTNER

52-2083357

34	RAYMOND DRUEN	.011555592	.011555592	.015496372
35	KATHY DUKES	.002522742	.002522742	.001628043
36	EARL MYERS - IRA	.005308848	.005308848	.008959391
37	EDITH DE RUSSY - IRA	.001782831	.001782831	.002021664
38	ELAINE C. GEISZ RESIDUARY TRUST JIM G	.011831405	.011831405	.005032469
39	ELEANOR KRUSE FAMILY LLC	.009736463	.009736463	.011083976
40	SARAH W ENSOR	.018486095	.018486095	.025434471
41	RAY ERICSON	.045699246	.045699246	.056296687
42	ALLAN H FENSELAU	.006306911	.006306911	.010179946
43	FRANCINE SULLENDER - IRA	.005832879	.005832879	.009615977
44	FRANK GARGIULO - IRA	.003889071	.003889071	.003960380
45	GARY D FREDERICK	.008755416	.008755416	.014366652
46	KATRINE GALEY	.003539232	.003539232	.003630243
47	LISA A GARRISON	.005308848	.005308848	.008957991
48	RACHEL GEISZ-LOETELL	.003539232	.003539232	.007802064
49	JULIE GLASS	.006972287	.006972287	.007872926
50	MAUREEN GLINOWICKI	.003252023	.003252023	.002616930
51	JIM GLOVER	.000000000	.000000000	.000000000
52	HAZEL O GRAHAM	.010292041	.010292041	.001107838
53	CHRISTINE R GRAY	.003539232	.003539232	.006136745
54	DENNIS A GUERIERI	.003539232	.003539232	.005825181
55	CONCETTA AND STEVE HAMILTON	.004729922	.004729922	.004569768
56	MIRIAM P HARDY C/O DR. ELIN GURSKY, P	.019102394	.019102394	.026964682
57	HARU CHANG - IRA	.001754604	.001754604	.000696406
58	LANNY R HEFFNER	.006541209	.006541209	.006081658
59	WARREN L HEFFNER	.013619673	.013619673	.011266156
60	SHERMAN HILL	.003539232	.003539232	.000000000
61	GREGORY J HONCHAR	.002757734	.002757734	.003812296
62	JOANNE P HONCHAR	.006055220	.006055220	.006759363
63	ROLAND H HUEBNER	.002173492	.002173492	.003503022
64	KATHLEEN HUGHES	.005045511	.005045511	.003260412
65	CALVIN JENSEN	.008770222	.008770222	.011229135
66	JOANNE JONES - IRA	.002548247	.002548247	.000450997
67	JOHN WELLER - IRA	.005662771	.005662771	.009688492
68	MARY JONES ROBERT JONES, JT	.008284988	.008284988	.003760008
69	JEFF JONES	.000737598	.000737598	.000018447
70	JENNIFER JONES RAMIG	.000737598	.000737598	.000018065
71	JOANNE JONES	.001946578	.001946578	.001183407
72	JOSEPH KAPLAN - IRA	.004530414	.004530414	.004533637
73	THOMAS KEMP	.007078464	.007078464	.005912709
74	FRANK KLUKOSKY DIANE KLUKOSKY, JT	.009997212	.009997212	.005360444
75	ELEANOR KRUSE	.003893155	.003893155	.000456722
76	LINDA ALMOND - IRA	.015307353	.015307353	.014612951
77	DAVID LOETELL	.013975290	.013975290	.015673336
78	JOSEPH W LOETELL	.005965006	.005965006	.007543551
79	DR. MARGERY MORGAN LOWENS	.040306685	.040306685	.027602185
80	MARGARET KELLY - IRA	.007849547	.007849547	.009494863
81	MARY M PEACH - IRA	.005220367	.005220367	.007622047
82	ELIZABETH MASKELL	.006032135	.006032135	.006485075
83	ETHNA MCBRIDE EDDIE MCBRIDE, JT	.008948099	.008948099	.008670091
84	JAMIE MCGLAUGHLIN	.003512688	.003512688	.002868572



COLONIAL TIDEWATER REALTY INCOME PARTNER			52-2083357
85	BARRETT A MILLER	.014086143	.014086143 .017556075
86	WILLIAM E MOORE	.010299165	.010299165 .005785107
87	BRUCE MORRIS	.001769616	.001769616 .002959535
88	ROBERT NAGLE	.015289229	.015289229 .018750041
89	DEBORAH J NASH	.006612473	.006612473 .010576747
90	MARK NOWICKI	.012387312	.012387312 .019426601
91	BARBARA OSHMAN	.000707846	.000707846 .001156436
92	KAREN PARSONS	.006954591	.006954591 .009764443
93	JOAN P PETTY	.006908581	.006908581 .008932038
94	PHILLIP J ANSELL - IRA	.007128140	.007128140 .009569541
95	K.W. RANTZ	.003539232	.003539232 .003985697
96	RUDOLPH RAWL ELLA RAWL, JT	.004247078	.004247078 .002424827
97	RAY ERICSON - IRA	.005549385	.005549385 .007067492
98	BRIAN S RICHARDSON B/O M. RICHARDSON,	.005664859	.005664859 .006246791
99	MARY T RIMBACH	.001769616	.001769616 .000899578
100	ELEANOR P RIPPERGER	.013589943	.013589943 .010851544
101	ROBERT S MILLER -- IRA	.005273456	.005273456 .007536809
102	ROLAND HUEBNER - IRA	.001415693	.001415693 .002367577
103	ELIZABETH ROUCHKA	.008930966	.008930966 .015485940
104	HARRY RUSSELL, JR	.002522742	.002522742 .001628298
105	SIGMA ALPHA IOTA FRATERNITY C/O RUTH	.007007679	.007007679 .004334537
106	SIGMA ALPHA IOTA PHILANTHROPIES, INC.	.013810083	.013810083 .019116691
107	BONNIE L SKANE	.002803072	.002803072 .003097824
108	DOROTHY SLOKAN	.000353923	.000353923 .000210932
109	JUDY K SMITH	.003185309	.003185309 .005523287
110	LAVERNE SNYDER	.005893529	.005893529 .005798720
111	OLAF SNYDER	.006727619	.006727619 .010992759
112	BARBARA SOLOMON	.000353923	.000353923 .000000000
113	LIZA B ST. LUKE C/O ANREA CONNEELY	.007771175	.007771175 .005188060
114	FRANCINE SULLENDER	.008765570	.008765570 .001422582
115	NORMA C TERRY	.009047162	.009047162 .004030225
116	REGINA TERRANA	.000737598	.000737598 .000018065
117	THELMA ASARE - IRA	.010511519	.010511519 .013691237
118	WILLIAM TODD	.002831386	.002831386 .002397983
119	SHARON TOMKO	.009748814	.009748814 .008984580
120	SCOTT VRATARICH	.001769616	.001769616 .003062329
121	WASATCH DEVELOPMENT, LLC	.000000000	.000000000 .000988378
122	BRIAN WASHBURN	.001769616	.001769616 .000924004
123	ADAM WEBER, JR	.006815127	.006815127 .003147949
124	WILLIAM LATLEIF - IRA	.003539232	.003539232 .003579736
125	LINDA WILSON	.003468447	.003468447 .003659122
126	NANCY WOODRING	.036222669	.036222669 .039600878
TOTAL PARTNER PERCENTAGES		1.000000000	1.000000000 1.010059717