

1 John D. Vaughn, State Bar No. 171801  
E-Mail: [vaughn@pvflaw.com](mailto:vaughn@pvflaw.com)  
2 Jeffrey A. Feasby, State Bar No. 208759  
E-Mail: [feasby@pvflaw.com](mailto:feasby@pvflaw.com)  
3 PEREZ VAUGHN & FEASBY Inc.  
600 B Street, Suite 2100  
4 San Diego, California 92101  
Telephone: 619-784-3550  
5 Facsimile: 619-460-0437  
6 Jeffrey L. Fillerup, State Bar No. 120543  
E-Mail: [jeff.fillerup@dentons.com](mailto:jeff.fillerup@dentons.com)  
7 Dentons US LLP  
One Market Plaza Spear Tower  
8 24th Floor  
San Francisco, California 94105  
9 Telephone: 415.356.4625  
Facsimile: 619.267.4198  
10

11 Attorneys for Defendant and Counterclaimant  
Windermere Real Estate Services Company  
12

13 **UNITED STATES DISTRICT COURT**  
**CENTRAL DISTRICT OF CALIFORNIA**  
14

15 BENNION & DEVILLE FINE  
HOMES, INC., a California  
16 corporation, BENNION & DEVILLE  
FINE HOMES SOCAL, INC., a  
17 California corporation, WINDERMERE  
SERVICES SOUTHERN  
18 CALIFORNIA, INC., a California  
corporation,  
19

Plaintiffs,

v.

21 WINDERMERE REAL ESTATE  
22 SERVICES COMPANY, a Washington  
corporation; and DOES 1-10  
23

Defendant.

26 AND RELATED COUNTERCLAIMS  
27

Case No. 5:15-CV-01921 R (KKx)

*Hon. Manual L. Real*

**DECLARATION OF MARK OSTER  
IN SUPPORT OF  
COUNTERCLAIMANT  
WINDERMERE REAL ESTATE  
SERVICES COMPANY'S  
APPLICATIONS FOR RIGHT TO  
ATTACH ORDERS AND ORDERS  
FOR ISSUANCE OF WRITS OF  
ATTACHMENT**

Date: December 19, 2016

Time: 10:00 a.m.

Courtroom: 8

Complaint Filed: September 17, 2015

1 I, Mark Oster, declare as follows:

2 1. I am a CPA licensed to practice in the state of Washington. The  
3 statements in this declaration are based upon my personal knowledge, and if called  
4 as a witness, I could testify competently thereto.

5 2. I am the Chief Financial Officer for Counterclaimant Windermere Real  
6 Estate Services Company (“WSC”) in this action and I have served full-time in that  
7 position for approximately one year. Prior to that time I had served as WSC’s Vice  
8 President of Finance since August of 2011. As Chief Financial Officer for WSC, I  
9 am responsible for overseeing all financial matters for WSC, including but not  
10 limited to accounts receivable. As a part of my duties, I am the custodian of WSC’s  
11 financial business records.

12 3. Counterdefendants Bennion & Deville Fine Homes, Inc. and Bennion  
13 & Deville Fine Homes SoCal, Inc. are former franchisees of WSC.  
14 Counterdefendant, Robert L. Bennion and Joseph R. Deville are principals of these  
15 former franchisees.

16 4. Attached hereto as Exhibit 1 is a true and correct copy of a statement  
17 from WSC reflecting amounts owed by former franchisee Bennion & Deville Fine  
18 Homes, Inc. as of November 21, 2016. The information reflected in this document  
19 is maintained by WSC in electronic form. The amounts listed under “License Fee”  
20 and “Tech Fee” are amounts that were provided to WSC by another Bennion and  
21 Deville entity, plaintiff Windermere Services Southern California, which was one of  
22 WSC’s former area representatives. The amounts listed under “Late Fee” and  
23 “Interest” are amounts that were calculated by the accounting software used by  
24 WSC. Those amounts were set at ten percent (10%) each in accordance with  
25 paragraph 5 of the August 1, 2001 Windermere Real Estate License Agreement  
26 between WSC and Bennion & Deville Fine Homes, Inc., Joseph R. Deville, and  
27 Robert L. Bennion. I have gone through this statement and cross-checked the  
28 amounts reflected herein for accuracy. As reflected in this statement, as of

1 November 21, 2016, Bennion & Deville Fine Homes, Inc. owed WSC \$741,546.98  
2 in outstanding license and tech fees, late fees, and interest. This amount is also  
3 summarized in Exhibit 3 hereto, which is discussed below.

4       5. Attached hereto as Exhibit 2 is a true and correct copy of a statement  
5 from WSC reflecting amounts owed by former franchisee Bennion & Deville Fine  
6 Homes SoCal, Inc. as of November 21, 2016. The information reflected in this  
7 document is maintained by WSC in electronic form. The amounts listed under  
8 "License Fee" and "Tech Fee" are amounts that were provided to WSC by  
9 Windermere Services Southern California. The amounts listed under "Late Fee"  
10 and "Interest" are amounts that were calculated by the accounting software used by  
11 WSC. Those amounts were set at ten percent (10%) each in accordance with  
12 paragraph 7(e) of the March 29, 2011 Windermere Real Estate Franchise License  
13 Agreement between WSC and Bennion & Deville Fine Homes SoCal, Inc. I have  
14 gone through this statement and cross-checked the amounts reflected herein for  
15 accuracy. As reflected in this statement, as of November 21, 2016, Bennion &  
16 Deville Fine Homes SoCal, Inc. owed WSC \$228,372.95 in outstanding license and  
17 tech fees, late fees, and interest. This amount is also summarized in Exhibit 3  
18 hereto, which is discussed below.

19       6. On December 18, 2012, the parties entered into an Agreement  
20 Modifying Windermere Real Estate Franchise License Agreements (the  
21 "Modification Agreement") under which WSC agreed to forgive certain license and  
22 tech fees that were owed by Bennion & Deville Fine Homes, Inc. and Bennion &  
23 Deville Fine Homes SoCal, Inc. I am familiar with the terms of this agreement due  
24 to my position at WSC at the time and the fact that it was one of my job duties to  
25 properly account for the amounts that were forgiven.

26       ///

27       ///

28       ///

1       7. As set forth in Exhibit A to the Modification Agreement, WSC forgave  
2 a \$399,960 promissory note issued by Bennion & Deville Fine Homes, Inc.,  
3 \$357,575 in additional fees owed by Bennion & Deville Fine Homes, Inc., and  
4 \$106,025 in fees owed by Bennion & Deville Fine Homes SoCal, Inc. Thus, the  
5 total amount forgiven by WSC was \$863,560.00. Of that amount, 87.7% was  
6 forgiven to Bennion & Deville Fine Homes, Inc., and 12.3% was forgiven to  
7 Bennion & Deville Fine Homes SoCal, Inc.

8       8. Pursuant to paragraph 3(F) of that agreement, if Bennion & Deville  
9 Fine Homes, Inc. and Bennion & Deville Fine Homes SoCal, Inc. did not remain as  
10 franchisees of WSC for a period of five years after all parties had executed the  
11 agreement, the waiver and forgiveness of fees was to be pro-rated against the total  
12 elapsed years from the date of termination of their franchises on a straight-line basis  
13 without the addition of interest or any other fees.

14      9. Attached hereto as Exhibit 3 is a true and correct copy of a spreadsheet  
15 that I prepared reflecting the total amount owed by Bennion & Deville Fine Homes,  
16 Inc. and Bennion & Deville Fine Homes SoCal, Inc. As set forth in that document  
17 under the heading “2012 Agreement to Forgive Fees in Exchange for Five Year  
18 Term,” I calculated that Bennion & Deville Fine Homes, Inc. and Bennion &  
19 Deville Fine Homes SoCal, Inc. owed a total of \$384,487.56 due to the early  
20 termination of their franchise agreements on September 30, 2015. I have done the  
21 calculations, and of that amount, \$337,281.47 was owed by Bennion & Deville Fine  
22 Homes, Inc. ( $\$384,487.56 * 87.7\% = \$337,281.47$ ) and \$47,206.09 was owed by  
23 Bennion & Deville Fine Homes SoCal, Inc. ( $\$384,487.56 * 12.3\% = \$47,206.09$ ).  
24      ///  
25      ///  
26      ///  
27      ///  
28      ///

1        10. Therefore, based on my calculations, Bennion & Deville Fine Homes,  
2 Inc. owes a total of \$1,078,828.45 in outstanding fees and amounts owing under the  
3 Modification Agreement ( $\$741,546.98 + \$337,281.47 = \$1,078,828.45$ ). Bennion &  
4 Deville Fine Homes SoCal, Inc. owes \$275,579.04 ( $\$228,372.95 + \$47,206.09 =$   
5  $\$275,579.04$ ).

I declare under penalty of perjury under the laws of the United States of America that the forgoing is true and correct, executed this 21st day of November, 2016, at Seattle, Washington.

~~My new post~~

Mark Oster

# EXHIBIT 1

**Statement**

Windermere Services Company  
 5424 Sand Point Way NE  
 Seattle, WA 98105  
 Phone (206) 527-3801  
 Fax (206) 394-5900

Monday, November 21, 2016

*Windermere Real Estate/Coachella Valley, Inc.*  
 Bob Bennion & Bob Deville  
 71-691 Highway 111  
 Rancho Mirage, CA 92270

Office Name	Month	License Fee	PAC Fee	Tech Fee	Email Fee	Late Fee	Interest	SubTotal	Note Balance	Grand Total Due
Cathedral City	7/1/2014	2,500.00	0.00	550.00	0.00	305.00	676.85	4,031.85		4,031.85
Cathedral City	8/1/2014	2,500.00	0.00	525.00	0.00	302.50	645.61	3,973.11		3,973.11
Cathedral City	9/1/2014	2,500.00	0.00	525.00	0.00	302.50	619.92	3,947.42		3,947.42
Cathedral City	10/1/2014	2,500.00	0.00	525.00	0.00	302.50	595.05	3,922.55		3,922.55
Cathedral City	11/1/2014	2,500.00	0.00	525.00	0.00	302.50	569.36	3,896.86		3,896.86
Cathedral City	12/1/2014	2,500.00	0.00	525.00	0.00	302.50	544.50	3,872.00		3,872.00
Cathedral City	1/1/2015	2,500.00	0.00	550.00	0.00	305.00	523.10	3,878.10		3,878.10
Cathedral City	2/1/2015	2,500.00	0.00	550.00	0.00	305.00	497.19	3,852.19		3,852.19
Cathedral City	3/1/2015	2,500.00	0.00	550.00	0.00	305.00	473.79	3,828.79		3,828.79
Cathedral City	4/1/2015	2,500.00	0.00	575.00	0.00	307.50	451.56	3,834.06		3,834.06
Cathedral City	5/1/2015	2,500.00	0.00	575.00	0.00	307.50	426.29	3,808.79		3,808.79
Cathedral City	6/1/2015	2,500.00	0.00	0.00	0.00	250.00	325.34	3,075.34		3,075.34
Indian Wells- Main	7/1/2014	2,500.00	0.00	1,900.00	0.00	440.00	976.44	5,816.44		5,816.44
Indian Wells- Main	8/1/2014	2,500.00	0.00	1,950.00	0.00	445.00	949.74	5,844.74		5,844.74
Indian Wells- Main	9/1/2014	2,500.00	0.00	1,950.00	0.00	445.00	911.95	5,806.95		5,806.95
Indian Wells- Main	10/1/2014	2,500.00	0.00	1,975.00	0.00	447.50	880.29	5,802.79		5,802.79
Indian Wells- Main	11/1/2014	2,500.00	0.00	2,000.00	0.00	450.00	846.99	5,796.99		5,796.99
Indian Wells- Main	12/1/2014	2,500.00	0.00	1,900.00	0.00	440.00	792.00	5,632.00		5,632.00
Indian Wells- Main	1/1/2015	2,500.00	0.00	1,900.00	0.00	440.00	754.63	5,594.63		5,594.63
Indian Wells- Main	2/1/2015	2,500.00	0.00	1,800.00	0.00	430.00	700.96	5,430.96		5,430.96
Indian Wells- Main	3/1/2015	2,500.00	0.00	1,775.00	0.00	427.50	664.09	5,366.59		5,366.59
Indian Wells- Main	4/1/2015	2,500.00	0.00	1,750.00	0.00	425.00	624.11	5,299.11		5,299.11
Indian Wells- Main	5/1/2015	2,500.00	0.00	1,675.00	0.00	417.50	578.78	5,171.28		5,171.28
Indian Wells- Main	6/1/2015	2,500.00	0.00	1,700.00	0.00	420.00	546.58	5,166.58		5,166.58
Indian Wells- Main	7/1/2015	2,500.00	0.00	1,700.00	0.00	420.00	512.05	5,132.05		5,132.05

<i>Office Name</i>	<i>Month</i>	<i>License Fee</i>	<i>PAC Fee</i>	<i>Tech Fee</i>	<i>Email Fee</i>	<i>Late Fee</i>	<i>Interest</i>	<i>SubTotal</i>	<i>Note Balance</i>	<i>Grand Total Due</i>
Indian Wells- Main	8/1/2015	2,500.00	0.00	1,700.00	0.00	420.00	476.38	5,096.38		5,096.38
Indian Wells- Main	9/1/2015	2,500.00	0.00	1,725.00	0.00	422.50	443.34	5,090.84		5,090.84
Indio	7/1/2014	2,500.00	0.00	650.00	0.00	315.00	699.04	4,164.04		4,164.04
Indio	8/1/2014	2,500.00	0.00	675.00	0.00	317.50	677.62	4,170.12		4,170.12
Indio	9/1/2014	2,500.00	0.00	675.00	0.00	317.50	650.66	4,143.16		4,143.16
Indio	10/1/2014	2,500.00	0.00	700.00	0.00	320.00	629.48	4,149.48		4,149.48
Indio	11/1/2014	2,500.00	0.00	750.00	0.00	325.00	611.71	4,186.71		4,186.71
Indio	12/1/2014	2,500.00	0.00	725.00	0.00	322.50	580.50	4,128.00		4,128.00
Indio	1/1/2015	2,500.00	0.00	775.00	0.00	327.50	561.68	4,164.18		4,164.18
Indio	2/1/2015	2,500.00	0.00	675.00	0.00	317.50	517.57	4,010.07		4,010.07
Indio	3/1/2015	2,500.00	0.00	675.00	0.00	317.50	493.21	3,985.71		3,985.71
Indio	4/1/2015	2,500.00	0.00	675.00	0.00	317.50	466.25	3,958.75		3,958.75
Indio	5/1/2015	2,500.00	0.00	725.00	0.00	322.50	447.08	3,994.58		3,994.58
Indio	6/1/2015	2,500.00	0.00	725.00	0.00	322.50	419.89	3,967.19		3,967.19
Indio	7/1/2015	2,500.00	0.00	750.00	0.00	325.00	396.23	3,971.23		3,971.23
Indio	8/1/2015	2,500.00	0.00	725.00	0.00	322.50	365.79	3,913.29		3,913.29
Indio	9/1/2015	2,500.00	0.00	725.00	0.00	322.50	338.40	3,885.90		3,885.90
La Quinta- B&D	7/1/2014	2,500.00	0.00	3,000.00	0.00	550.00	1,220.55	7,270.55		7,270.55
La Quinta- B&D	8/1/2014	2,500.00	0.00	3,050.00	0.00	555.00	1,184.51	7,289.51		7,289.51
La Quinta- B&D	9/1/2014	2,500.00	0.00	3,050.00	0.00	555.00	1,137.37	7,242.37		7,242.37
La Quinta- B&D	10/1/2014	2,500.00	0.00	3,000.00	0.00	550.00	1,081.92	7,131.92		7,131.92
La Quinta- B&D	11/1/2014	2,500.00	0.00	2,875.00	0.00	537.50	1,011.68	6,924.18		6,924.18
La Quinta- B&D	12/1/2014	2,500.00	0.00	2,800.00	0.00	530.00	954.00	6,784.00		6,784.00
La Quinta- B&D	1/1/2015	2,500.00	0.00	2,750.00	0.00	525.00	900.41	6,675.41		6,675.41
La Quinta- B&D	2/1/2015	2,500.00	0.00	2,700.00	0.00	520.00	847.67	6,567.67		6,567.67
La Quinta- B&D	3/1/2015	2,500.00	0.00	2,725.00	0.00	522.50	811.66	6,559.16		6,559.16
La Quinta- B&D	4/1/2015	2,500.00	0.00	2,775.00	0.00	527.50	774.63	6,557.13		6,557.13
La Quinta- B&D	5/1/2015	2,500.00	0.00	2,700.00	0.00	520.00	720.88	6,440.88		6,440.88
La Quinta- B&D	6/1/2015	2,500.00	0.00	2,725.00	0.00	522.50	679.97	6,427.47		6,427.47
La Quinta- B&D	7/1/2015	2,500.00	0.00	2,675.00	0.00	517.50	630.92	6,323.42		6,323.42
La Quinta- B&D	8/1/2015	2,500.00	0.00	2,675.00	0.00	517.50	586.97	6,279.47		6,279.47
La Quinta- B&D	9/1/2015	2,500.00	0.00	2,600.00	0.00	510.00	535.15	6,145.15		6,145.15
Palm Desert- Portola	7/1/2014	2,500.00	0.00	2,050.00	0.00	455.00	1,009.73	6,014.73		6,014.73
Palm Desert- Portola	8/1/2014	2,500.00	0.00	2,075.00	0.00	457.50	976.42	6,008.92		6,008.92
Palm Desert- Portola	9/1/2014	2,500.00	0.00	2,150.00	0.00	465.00	952.93	6,067.93		6,067.93
Palm Desert- Portola	10/1/2014	2,500.00	0.00	2,200.00	0.00	470.00	924.55	6,084.55		6,084.55
Palm Desert- Portola	11/1/2014	2,500.00	0.00	2,275.00	0.00	477.50	898.75	6,151.25		6,151.25
Palm Desert- Portola	12/1/2014	2,500.00	0.00	2,250.00	0.00	475.00	855.00	6,080.00		6,080.00
Palm Desert- Portola	1/1/2015	2,500.00	0.00	2,125.00	0.00	462.50	793.22	5,880.72		5,880.72

<i>Office Name</i>	<i>Month</i>	<i>License Fee</i>	<i>PAC Fee</i>	<i>Tech Fee</i>	<i>Email Fee</i>	<i>Late Fee</i>	<i>Interest</i>	<i>SubTotal</i>	<i>Note Balance</i>	<i>Grand Total Due</i>
Palm Desert- Portola	2/11/2015	2,500.00	0.00	2,100.00	0.00	460.00	749.86	5,809.86		5,809.86
Palm Desert- Portola	3/1/2015	2,500.00	0.00	2,050.00	0.00	455.00	706.84	5,711.81		5,711.81
Palm Desert- Portola	4/1/2015	2,500.00	0.00	2,050.00	0.00	455.00	668.16	5,673.16		5,673.16
Palm Desert- Portola	5/1/2015	2,500.00	0.00	2,125.00	0.00	462.50	641.16	5,728.66		5,728.66
Palm Desert- Portola	6/1/2015	2,500.00	0.00	2,125.00	0.00	462.50	601.88	5,689.38		5,689.38
Palm Desert- Portola	7/1/2015	2,500.00	0.00	2,200.00	0.00	470.00	573.01	5,743.01		5,743.01
Palm Desert- Portola	8/1/2015	2,500.00	0.00	2,200.00	0.00	470.00	533.10	5,703.10		5,703.10
Palm Desert- Portola	9/1/2015	2,500.00	0.00	2,250.00	0.00	475.00	498.42	5,723.42		5,723.42
Palm Desert- San Pablo	7/1/2014	2,500.00	0.00	1,175.00	0.00	367.50	815.55	4,858.05		4,858.05
Palm Desert- San Pablo	8/1/2014	2,500.00	0.00	1,175.00	0.00	367.50	784.34	4,826.84		4,826.84
Palm Desert- San Pablo	9/1/2014	2,500.00	0.00	1,175.00	0.00	367.50	753.12	4,795.62		4,795.62
Palm Desert- San Pablo	10/1/2014	2,500.00	0.00	1,125.00	0.00	362.50	713.08	4,700.58		4,700.58
Palm Desert- San Pablo	11/1/2014	2,500.00	0.00	1,050.00	0.00	355.00	668.18	4,573.18		4,573.18
Palm Desert- San Pablo	12/1/2014	2,500.00	0.00	1,025.00	0.00	352.50	634.50	4,512.00		4,512.00
Palm Desert- San Pablo	1/1/2015	2,500.00	0.00	1,025.00	0.00	352.50	604.56	4,482.06		4,482.06
Palm Desert- San Pablo	2/1/2015	2,500.00	0.00	1,025.00	0.00	352.50	574.62	4,452.12		4,452.12
Palm Desert- San Pablo	3/1/2015	2,500.00	0.00	1,025.00	0.00	352.50	547.58	4,425.08		4,425.08
Palm Desert- San Pablo	4/1/2015	2,500.00	0.00	1,075.00	0.00	357.50	524.99	4,457.49		4,457.49
Palm Desert- San Pablo	5/1/2015	2,500.00	0.00	1,125.00	0.00	362.50	502.53	4,490.03		4,490.03
Palm Desert- San Pablo	6/1/2015	2,500.00	0.00	1,175.00	0.00	367.50	478.25	4,520.75		4,520.75
Palm Desert- San Pablo	7/1/2015	2,500.00	0.00	1,175.00	0.00	367.50	448.05	4,490.55		4,490.55
Palm Desert- San Pablo	8/1/2015	2,500.00	0.00	1,175.00	0.00	367.50	416.84	4,459.34		4,459.34
Palm Desert- San Pablo	9/1/2015	2,500.00	0.00	1,200.00	0.00	370.00	388.25	4,458.25		4,458.25
Palm Springs- B&D	7/1/2014	2,500.00	0.00	1,950.00	0.00	445.00	987.53	5,882.53		5,882.53
Palm Springs- B&D	8/1/2014	2,500.00	0.00	1,975.00	0.00	447.50	955.08	5,877.58		5,877.58
Palm Springs- B&D	9/1/2014	2,500.00	0.00	1,950.00	0.00	445.00	911.95	5,806.95		5,806.95
Palm Springs- B&D	10/1/2014	2,500.00	0.00	1,925.00	0.00	442.50	870.45	5,737.95		5,737.95
Palm Springs- B&D	11/1/2014	2,500.00	0.00	2,125.00	0.00	462.50	870.51	5,958.01		5,958.01
Palm Springs- B&D	12/1/2014	2,500.00	0.00	2,025.00	0.00	452.50	814.50	5,792.00		5,792.00
Palm Springs- B&D	1/1/2015	2,500.00	0.00	1,875.00	0.00	437.50	750.34	5,562.84		5,562.84
Palm Springs- B&D	2/1/2015	2,500.00	0.00	1,850.00	0.00	435.00	709.11	5,494.11		5,494.11
Palm Springs- B&D	3/1/2015	2,500.00	0.00	1,875.00	0.00	437.50	679.62	5,492.12		5,492.12
Palm Springs- B&D	4/1/2015	2,500.00	0.00	1,850.00	0.00	435.00	638.79	5,423.79		5,423.79
Palm Springs- B&D	5/1/2015	2,500.00	0.00	1,800.00	0.00	430.00	596.11	5,326.11		5,326.11
Palm Springs- B&D	6/1/2015	2,500.00	0.00	1,925.00	0.00	442.50	575.86	5,443.36		5,443.36
Palm Springs- B&D	7/1/2015	2,500.00	0.00	1,925.00	0.00	442.50	539.49	5,406.99		5,406.99
Palm Springs- B&D	8/1/2015	2,500.00	0.00	1,925.00	0.00	442.50	501.90	5,369.40		5,369.40
Palm Springs- B&D	9/1/2015	2,500.00	0.00	1,875.00	0.00	437.50	459.08	5,271.58		5,271.58
Palm Springs- South	7/1/2014	2,500.00	0.00	3,200.00	0.00	570.00	1,264.93	7,534.93		7,534.93

<i>Office Name</i>	<i>Month</i>	<i>License Fee</i>	<i>PAC Fee</i>	<i>Tech Fee</i>	<i>Email Fee</i>	<i>Late Fee</i>	<i>Interest</i>	<i>SubTotal</i>	<i>Note Balance</i>	<i>Grand Total Due</i>
Palm Springs- South	8/1/2014	2,500.00	0.00	3,175.00	0.00	567.50	1,211.18	7,453.68		7,453.68
Palm Springs- South	9/1/2014	2,500.00	0.00	3,050.00	0.00	555.00	1,137.37	7,242.37		7,242.37
Palm Springs- South	10/1/2014	2,500.00	0.00	3,050.00	0.00	555.00	1,091.75	7,196.75		7,196.75
Palm Springs- South	11/1/2014	2,500.00	0.00	2,950.00	0.00	545.00	1,025.79	7,020.79		7,020.79
Palm Springs- South	12/1/2014	2,500.00	0.00	2,925.00	0.00	542.50	976.50	6,944.00		6,944.00
Palm Springs- South	1/1/2015	2,500.00	0.00	2,825.00	0.00	532.50	913.27	6,770.77		6,770.77
Palm Springs- South	2/1/2015	2,500.00	0.00	2,825.00	0.00	532.50	808.05	6,725.55		6,725.55
Palm Springs- South	3/1/2015	2,500.00	0.00	2,900.00	0.00	540.00	838.85	6,778.85		6,778.85
Palm Springs- South	4/1/2015	2,500.00	0.00	2,950.00	0.00	545.00	800.33	6,795.33		6,795.33
Palm Springs- South	5/1/2015	2,500.00	0.00	3,000.00	0.00	550.00	762.47	6,812.47		6,812.47
Palm Springs- South	6/1/2015	2,500.00	0.00	3,450.00	0.00	595.00	774.32	7,319.32		7,319.32
Palm Springs- South	7/1/2015	2,500.00	0.00	3,425.00	0.00	592.50	722.36	7,239.86		7,239.86
Palm Springs- South	8/1/2015	2,500.00	0.00	3,425.00	0.00	592.50	672.04	7,189.54		7,189.54
Palm Springs- South	9/1/2015	2,500.00	0.00	3,400.00	0.00	590.00	619.10	7,109.10		7,109.10
Rancho Mirage at The Springs	7/1/2014	0.00	0.00	50.00	0.00	5.00	11.10	66.10		66.10
Rancho Mirage at The Springs	8/1/2014	0.00	0.00	50.00	0.00	5.00	10.67	65.67		65.67
Rancho Mirage at The Springs	9/1/2014	0.00	0.00	50.00	0.00	5.00	10.25	65.25		65.25
Rancho Mirage at The Springs	10/1/2014	0.00	0.00	50.00	0.00	5.00	9.84	64.84		64.84
Rancho Mirage at The Springs	11/1/2014	0.00	0.00	50.00	0.00	5.00	9.41	64.41		64.41
Rancho Mirage at The Springs	12/1/2014	0.00	0.00	50.00	0.00	5.00	9.00	64.00		64.00
Rancho Mirage at The Springs	1/1/2015	0.00	0.00	50.00	0.00	5.00	8.58	63.58		63.58
Rancho Mirage at The Springs	2/1/2015	0.00	0.00	50.00	0.00	5.00	8.15	63.15		63.15
Rancho Mirage at The Springs	3/1/2015	0.00	0.00	50.00	0.00	5.00	7.77	62.77		62.77
Rancho Mirage at The Springs	4/1/2015	0.00	0.00	50.00	0.00	5.00	7.34	62.34		62.34
Rancho Mirage at The Springs	5/1/2015	0.00	0.00	50.00	0.00	5.00	6.93	61.93		61.93
Rancho Mirage at The Springs	6/1/2015	0.00	0.00	50.00	0.00	5.00	6.51	61.51		61.51
Rancho Mirage at The Springs	7/1/2015	0.00	0.00	50.00	0.00	5.00	6.10	61.10		61.10
Rancho Mirage at The Springs	8/1/2015	0.00	0.00	50.00	0.00	5.00	5.67	60.67		60.67
Rancho Mirage at The Springs	9/1/2015	0.00	0.00	50.00	0.00	5.00	5.25	60.25		60.25
Rancho Mirage-B&D	7/1/2014	2,500.00	0.00	2,800.00	0.00	530.00	1,176.16	7,006.16		7,006.16
Rancho Mirage-B&D	8/1/2014	2,500.00	0.00	2,850.00	0.00	535.00	1,141.82	7,026.82		7,026.82
Rancho Mirage-B&D	9/1/2014	2,500.00	0.00	2,900.00	0.00	540.00	1,106.63	7,046.63		7,046.63
Rancho Mirage-B&D	10/1/2014	2,500.00	0.00	2,850.00	0.00	535.00	1,052.41	6,937.41		6,937.41
Rancho Mirage-B&D	11/1/2014	2,500.00	0.00	3,000.00	0.00	550.00	1,035.21	7,085.21		7,085.21
Rancho Mirage-B&D	12/1/2014	2,500.00	0.00	2,975.00	0.00	547.50	985.50	7,008.00		7,008.00
Rancho Mirage-B&D	1/1/2015	2,500.00	0.00	3,075.00	0.00	557.50	956.15	7,088.65		7,088.65
Rancho Mirage-B&D	2/1/2015	2,500.00	0.00	3,025.00	0.00	552.50	900.65	6,978.15		6,978.15
Rancho Mirage-B&D	3/1/2015	2,500.00	0.00	2,975.00	0.00	547.50	850.50	6,873.00		6,873.00
Rancho Mirage-B&D	4/1/2015	2,500.00	0.00	3,025.00	0.00	552.50	811.34	6,888.84		6,888.84

<i>Office Name</i>	<i>Month</i>	<i>License Fee</i>	<i>PAC Fee</i>	<i>Tech Fee</i>	<i>Email Fee</i>	<i>Late Fee</i>	<i>Interest</i>	<i>SubTotal</i>	<i>Note Balance</i>	<i>Grand Total Due</i>
Rancho Mirage- B&D	5/1/2015	2,500.00	0.00	3,025.00	0.00	552.50	765.93	6,843.43		6,843.43
Rancho Mirage- B&D	6/1/2015	2,500.00	0.00	3,000.00	0.00	550.00	715.75	6,765.75		6,765.75
Rancho Mirage- B&D	7/1/2015	2,500.00	0.00	3,025.00	0.00	552.50	673.60	6,751.10		6,751.10
Rancho Mirage- B&D	8/1/2015	2,500.00	0.00	3,025.00	0.00	552.50	626.67	6,704.17		6,704.17
Rancho Mirage- B&D	9/1/2015	2,500.00	0.00	3,050.00	0.00	555.00	582.37	6,687.37		6,687.37
Rancho Mirage- Morningside	7/1/2014	0.00	0.00	50.00	0.00	5.00	11.10	66.10		66.10
Rancho Mirage- Morningside	8/1/2014	0.00	0.00	50.00	0.00	5.00	10.67	65.57		65.57
Rancho Mirage- Morningside	9/1/2014	0.00	0.00	50.00	0.00	5.00	10.25	65.25		65.25
Rancho Mirage- Morningside	10/1/2014	0.00	0.00	50.00	0.00	5.00	9.84	64.84		64.84
Rancho Mirage- Morningside	11/1/2014	0.00	0.00	50.00	0.00	5.00	9.41	64.41		64.41
Rancho Mirage- Morningside	12/1/2014	0.00	0.00	50.00	0.00	5.00	9.00	64.00		64.00
Rancho Mirage- Morningside	1/1/2015	0.00	0.00	50.00	0.00	5.00	8.58	63.58		63.58
Rancho Mirage- Morningside	2/1/2015	0.00	0.00	50.00	0.00	5.00	8.15	63.15		63.15
Rancho Mirage- Morningside	3/1/2015	0.00	0.00	50.00	0.00	5.00	7.77	62.77		62.77
Rancho Mirage- Morningside	4/1/2015	0.00	0.00	50.00	0.00	5.00	7.34	62.34		62.34
Rancho Mirage- Morningside	5/1/2015	0.00	0.00	50.00	0.00	5.00	6.93	61.93		61.93
Rancho Mirage- Morningside	6/1/2015	0.00	0.00	50.00	0.00	5.00	6.51	61.51		61.51
Rancho Mirage- Morningside	7/1/2015	0.00	0.00	50.00	0.00	5.00	6.10	61.10		61.10
Rancho Mirage- Morningside	8/1/2015	0.00	0.00	50.00	0.00	5.00	5.67	60.67		60.67
Rancho Mirage- Morningside	9/1/2015	0.00	0.00	50.00	0.00	5.00	5.25	60.25		60.25
		330,000.00	0.00	256,560.00	0.00	58,655.00	96,341.98	741,546.98	0.00	741,546.98

Payment or acceptance of less than the full balance shown above shall in no way constitute a waiver of any rights Windermere Service Company may have under the franchise agreement.

Information on this statement is current through 11/21/2016. It may not reflect payments received and/or applied after that date. Those transactions will be reflected on future statements.

Thank you for your prompt attention to this matter.

Date Run: 11/21/2016

# EXHIBIT 2



*Windermere Real Estate SoCal*  
Bob Bennion & Bob Deville  
71-691 Hwy 111  
Rancho Mirage, CA 92270

Monday, November 21, 2016

Office Name	Month	License Fee	PAC Fee	Tech Fee	Email Fee	Late Fee	Interest	SubTotal	Note Balance	Grand Total Due
Carlsbad	7/1/2014	2,500.00	0.00	975.00	0.00	347.50	771.16	4,593.66		4,593.66
Carlsbad	8/1/2014	2,500.00	0.00	1,000.00	0.00	350.00	746.99	4,596.99		4,596.99
Carlsbad	9/1/2014	2,500.00	0.00	950.00	0.00	345.00	707.01	4,502.01		4,502.01
Carlsbad	10/1/2014	2,500.00	0.00	950.00	0.00	345.00	678.66	4,473.66		4,473.66
Carlsbad	11/1/2014	2,500.00	0.00	1,350.00	0.00	385.00	724.64	4,959.64		4,959.64
Carlsbad	12/1/2014	2,500.00	0.00	1,375.00	0.00	387.50	697.50	4,960.00		4,960.00
Carlsbad	1/1/2015	2,500.00	0.00	1,325.00	0.00	382.50	656.01	4,863.51		4,863.51
Carlsbad	2/1/2015	2,500.00	0.00	1,275.00	0.00	377.50	615.38	4,767.88		4,767.88
Carlsbad	3/1/2015	2,500.00	0.00	1,300.00	0.00	380.00	590.30	4,770.30		4,770.30
Carlsbad	4/1/2015	2,500.00	0.00	1,325.00	0.00	382.50	561.70	4,769.20		4,769.20
Carlsbad	5/1/2015	2,500.00	0.00	1,375.00	0.00	387.50	537.19	4,799.69		4,799.69
Carlsbad	6/1/2015	2,500.00	0.00	1,325.00	0.00	382.50	497.77	4,705.27		4,705.27
Carlsbad	7/1/2015	2,500.00	0.00	1,375.00	0.00	387.50	472.43	4,734.93		4,734.93
Carlsbad	8/1/2015	2,500.00	0.00	1,350.00	0.00	385.00	436.68	4,671.68		4,671.68
Carlsbad	9/1/2015	2,500.00	0.00	1,450.00	0.00	395.00	414.48	4,759.48		4,759.48
La Mesa Village	7/1/2014	2,500.00	0.00	1,900.00	0.00	440.00	976.44	5,816.44		5,816.44
La Mesa Village	8/1/2014	2,500.00	0.00	1,925.00	0.00	442.50	944.40	5,811.90		5,811.90
La Mesa Village	9/1/2014	2,500.00	0.00	2,000.00	0.00	450.00	922.19	5,872.19		5,872.19
La Mesa Village	10/1/2014	2,500.00	0.00	2,125.00	0.00	462.50	909.79	5,997.29		5,997.29
La Mesa Village	11/1/2014	2,500.00	0.00	2,275.00	0.00	477.50	898.75	6,151.25		6,151.25
La Mesa Village	12/1/2014	2,500.00	0.00	2,175.00	0.00	467.50	841.50	5,984.00		5,984.00
La Mesa Village	1/1/2015	2,500.00	0.00	2,300.00	0.00	480.00	823.23	6,103.23		6,103.23
La Mesa Village	2/1/2015	2,500.00	0.00	2,300.00	0.00	480.00	782.47	6,062.47		6,062.47
La Mesa Village	3/1/2015	2,500.00	0.00	2,400.00	0.00	490.00	761.18	6,151.18		6,151.18
La Mesa Village	4/1/2015	2,500.00	0.00	2,400.00	0.00	490.00	719.56	6,109.56		6,109.56

<i>Office Name</i>	<i>Month</i>	<i>License Fee</i>	<i>PAC Fee</i>	<i>Tech Fee</i>	<i>Email Fee</i>	<i>Late Fee</i>	<i>Interest</i>	<i>SubTotal</i>	<i>Note Balance</i>	<i>Grand Total Due</i>
La Mesa Village	5/1/2015	2,500.00	0.00	2,400.00	0.00	490.00	679.29	6,069.29		6,069.29
La Mesa Village	6/1/2015	2,500.00	0.00	2,500.00	0.00	500.00	650.68	6,150.68		6,150.68
La Mesa Village	7/1/2015	2,500.00	0.00	2,500.00	0.00	500.00	609.59	6,109.59		6,109.59
La Mesa Village	8/1/2015	2,500.00	0.00	2,525.00	0.00	502.50	569.96	6,097.46		6,097.46
La Mesa Village	9/1/2015	2,500.00	0.00	2,525.00	0.00	502.50	527.28	6,054.78		6,054.78
Laguna Niguel	7/1/2014	2,500.00	0.00	975.00	0.00	347.50	771.16	4,593.66		4,593.66
Laguna Niguel	8/1/2014	2,500.00	0.00	975.00	0.00	347.50	741.65	4,564.15		4,564.15
Laguna Niguel	9/1/2014	2,500.00	0.00	1,000.00	0.00	350.00	717.26	4,567.26		4,567.26
Laguna Niguel	10/1/2014	2,500.00	0.00	1,000.00	0.00	350.00	688.49	4,538.49		4,538.49
Laguna Niguel	11/1/2014	2,500.00	0.00	1,025.00	0.00	352.50	663.47	4,540.97		4,540.97
Laguna Niguel	12/1/2014	2,500.00	0.00	1,000.00	0.00	350.00	630.00	4,480.00		4,480.00
Laguna Niguel	1/1/2015	2,500.00	0.00	975.00	0.00	347.50	595.99	4,418.49		4,418.49
Laguna Niguel	2/1/2015	2,500.00	0.00	975.00	0.00	347.50	566.47	4,388.97		4,388.97
Laguna Niguel	3/1/2015	2,500.00	0.00	1,025.00	0.00	352.50	547.58	4,425.08		4,425.08
Laguna Niguel	4/1/2015	2,500.00	0.00	1,025.00	0.00	352.50	517.64	4,395.14		4,395.14
Laguna Niguel	5/1/2015	2,500.00	0.00	1,100.00	0.00	360.00	499.07	4,459.07		4,459.07
Laguna Niguel	6/1/2015	2,500.00	0.00	1,100.00	0.00	360.00	468.49	4,428.49		4,428.49
Laguna Niguel	7/1/2015	2,500.00	0.00	1,025.00	0.00	352.50	429.76	4,307.26		4,307.26
Laguna Niguel	8/1/2015	2,500.00	0.00	1,125.00	0.00	362.50	411.16	4,398.66		4,398.66
Laguna Niguel	9/1/2015	2,500.00	0.00	1,150.00	0.00	365.00	383.00	4,398.00		4,398.00
		112,500.00	0.00	68,425.00	0.00	18,092.50	29,355.46	228,372.95	0.00	228,372.95

Payment or acceptance of less than the full balance shown above shall in no way constitute a waiver of any rights Windermere Service Company may have under the franchise agreement.

Information on this statement is current through 11/21/2016. It may not reflect payments received and/or applied after that date. Those transactions will be reflected on future statements.

Thank you for your prompt attention to this matter.

Date Run: 11/21/2016

# EXHIBIT 3

**B&D - CALCULATION OF TOTAL OWED**

As of 11/21/16

**2012 Agreement to Forgive Fees in Exchange for Five Year Term**

Total WSC share forgiven	\$863,560.00
Per Diem	\$472.92
Days elapsed (12/21/2012 - 9/30/15)	1013
Total forgiven	\$479,072.44
<b>BALANCE</b>	<b>\$384,487.56</b>

**B&DFH - COACHELLA VALLEY**

License Fees	\$330,000.00
Tech Fees	\$256,550.00
Late Fees	\$58,655.00
Interest	\$96,341.98
<b>TOTAL</b>	<b>\$741,546.98</b>

**B&DFH - SOCAL**

License Fees	\$112,500.00
Tech Fees	\$68,425.00
Late Fees	\$18,092.50
Interest	\$29,355.45
<b>TOTAL</b>	<b>\$228,372.95</b>

**TOTAL FRANCHISE AND OTHER FEES DUE** **\$1,354,407.49**