

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

vs.

Civil Action No. 4:11-CV-00655

JAMES G. TEMME,
STEWARDSHIP FUNDS, LP

Defendants.

**MOTION FOR RELIEF FROM STAY
AND BRIEF IN SUPPORT THEREOF**

Nonparties to this action, MDA Realty Holdings, LLC, MVB Realty Holdings, LLC, LF Realty Holdings, LLC and F & B Note Holding, LLC (collectively, the “Finch and Barry Group”), file this Motion for Relief from Stay, and Brief in Support Thereof, requesting that they be permitted to proceed with an investigation of potential claims or the filing of a lawsuit against nonparties Home Solutions Advisors, LLC, Home Solutions GP, LP, Home Solutions Partners I, LP, Home Solutions Partners II, LP, Home Solutions Partners III, LP, Harbour Portfolio I, LLC, Harbour Portfolio II, LLC, Charles A. Vose, III, and perhaps other Home Solutions affiliates unrelated to this SEC action (collectively, the “Home Solutions Affiliates”), and Robert Boyce (“Boyce”) and would respectfully show the Court the following:

Introduction

1. Movants wish to pursue recovery of certain traceable monies and potentially mortgages which are in the possession of certain of the Home Solutions Affiliates, and Robert Boyce, who are not parties to this SEC receivership action. These

claims of the Movants are not assets of this Receivership estate, and pursuit of these claims would violate no stays imposed by this Court. Nevertheless, Movants seek leave of this Court to pursue its claims against the Home Solutions Affiliates by way of a Texas Rule 202 proceeding or by simply filing claims in state court, for the reasons stated herein.

Background

2. On April 27, 2011, Movants wire transferred \$3,139,667.20 to an account of Home Solutions Partners I, LP to purchase residential mortgages that were purportedly being sold by Home Solutions Partners, LP, and that would ultimately be owned by Equitas Housing Fund III, LP (“Equitas”). The monies wired by Movants to the Home Solutions account did not go through Equitas.

3. James Temme (“Temme”) was involved in the subject transaction. Temme is a principal of Stewardship Fund, LP, which was to be a member of Equitas’ named general partner, Equitas Housing Fund III, Genpar, LLC, but upon information and belief, this general partner entity was never formed. With regard to the investment, Temme represented to Movants that Stewardship Fund, LP would close on a contract to buy certain mortgages from Home Solutions Partners, LP, and provide these mortgages to F & B Note Holding, LLC, which was the Movants’ entity, and that the mortgages would ultimately be assigned to Equitas.

4. One or more of the Home Solutions Affiliates claim this transaction never closed. Specifically, in August 2011, an attorney representing “Home Solutions, LLC” and Home Solutions GP, LP, informed Movants that the purported purchase and sale agreement between Stewardship Fund, LP and Home Solutions Partners, LP was

fraudulent and forged. See Exhibit 1, Letter dated August 23, 2011. “Home Solutions, LLC” and Home Solutions GP, LP claimed that they still owned the mortgages that the purchase and sale agreement purported to convey. *Id.* The letter fails to disclose that the Home Solutions Affiliates received most of the Movants’ money. Movants later learned that Home Solutions Partners, LP may not even exist, and Charles A. Vose, III later asserted that “Home Solutions, LLC” does not exist. See Exhibit 2, Vose’s Response to Rule 202 Petition, at 1 (voluminous exhibits thereto omitted).

5. On October 11, 2011, Movants filed their Petition to Investigate Potential Claims in the 366th District Court of Collin County, Texas. Three days later, the SEC brought this action against James Temme and Stewardship Fund, LP. On November 17, 2011, there was a hearing in the 202 proceeding, but the Honorable Jay Wheless, of the 366th District Court of Collin County, held that Movants’ petition could not go forward until this Court granted relief from the stay established by this Court’s orders.

6. Since filing their petition, Movants have learned that certain of the Home Solutions Affiliates immediately received more than \$2.2 million of Movants’ monies, including Home Solutions Partners I, LP, Home Solutions Partners III, LP, Harbour Portfolio I, LLC, and Harbour Portfolio II, LLC. Movants still do not know, however, who owns the mortgages Movants purchased, because Mr. Vose claims that two of the purported owners—Home Solutions, LLC and Home Solutions Partners, LP—do not exist. Movants also received a letter from another counsel for Home Solutions, regarding assertion of any ownership over the subject mortgages. See Exhibit 3, letter dated September 21, 2011.

7. In addition, Movants learned that \$100,000.00 of their April 27, 2012 wired money is directly traceable to an April 29, 2011 payment to Boyce, for which no explanation has ever been provided.

Arguments and Authorities

8. Allowing Movants to investigate and pursue claims against the Home Solutions Affiliates and Robert Boyce will have no effect on this receivership action. Movants do not seek to investigate or assert claims outside of this SEC action against James Temme or Stewardship Fund, LP, nor any other entity owned or controlled by them. Nor do Movants seek to investigate or assert claims against some of the original parties in Movants' Petition to Investigate Potential Claims. Instead, Movants seek leave to investigate or assert claims against the Home Solutions Affiliates who received most of the Movants' money, but still claim ownership of all the mortgages, and against Robert Boyce, who received \$100,000.00 of the Movants' funds. These claims likely include breach of contract, unjust enrichment, money had and received, and possibly fraud.

9. In addition, allowing Movants to investigate or pursue claims against the Home Solutions Affiliates would not affect the assets which are the subject of this receivership. First, the Home Solutions Affiliates assert that they, and not Temme or Stewardship Fund, LP, own the mortgages that Movants sought to purchase. In fact, at this Court's hearing on April 2, 2012, the Receiver acknowledged that these mortgages which the Finch and Barry Group were attempting to purchase were not part of the receivership estate, without prejudice to the Receiver's ability to later assert otherwise, based upon new information or changed circumstances. Second, at least \$2.2 million of

Movants' investment monies are directly traceable to the Home Solutions Affiliates. These monies are not in the SEC receivership estate; rather, they are monies originally received by, and directly traceable to, the Home Solutions Affiliates. The Home Solutions Affiliates also admitted in state court that their assets are not subject to the receivership in this SEC action. See Exhibit 2, at p. 5.

10. The claims of Movants, at least with regard to the traceable funds described herein, do not belong to the Receivership Estate. Movants seek monies against the Home Solutions Affiliates directly traceable to them, or the mortgages which were owned by them, and for which they received Movants' money. Movants seek to recover the \$100,000.00 directly traceable to Robert Boyce. As it is, the Home Solutions Partners have sought the cover and protection of this Court to allow them to keep both the mortgages and Movants' money, as evidenced by their response to the Movants' Rule 202 Petition in state court (See Exhibit 2). Furthermore, the claims which are the subject of this Motion belong to Movants, not Equitas, the limited partner, for the reasons stated above. Movants' funds, which ended up primarily in Home Solutions' bank accounts, never went through Equitas. The Home Solutions Affiliates apparently claim to retain ownership of the subject mortgages as set forth in counsel's September 21, 2011, letter. This was confirmed by the Receiver in open court at the April 3, 2012 hearing.

11. Prosecution in state court of the Movants' claims would not violate the stay entered by this Court. Movants are not asserting these claims against James Temme, Stewardship Funds, LP, or any entity owned or controlled by these Defendants. Movants will assert their separate claims against these entities in this Court at the

appropriate time. Moreover, the Receiver did not oppose the Movants' original petition to investigate potential claims in state court. The Receiver now opposes this motion for relief from stay filed in this court for reasons which have not been revealed at the time of this filing. The investigation or potential lawsuits which are the subject of this motion do not prejudice the Receiver's duties or the assets of this receivership.

Conclusion

For these reasons, Movants, MDA Realty Holdings, LLC, MVB Realty Holdings, LLC, LF Realty Holdings, LLC, and F & B Note Holding, LLC, nonparties to this action, request relief from the stay in this action so that they can proceed with an investigation of potential claims, or the filing of a lawsuit, against other nonparties Home Solutions Advisors, LLC, Home Solutions GP, LP, Home Solutions Partners I, LP, Home Solutions Partners III, LP, Harbour Portfolio I, LLC, Harbour Portfolio II, LLC, Charles A. Vose, III, and perhaps other Home Solutions affiliates unrelated to this SEC action, and against Robert Boyce, and for such other and further relief as they show themselves justly entitled in this action.

Respectfully submitted,

PENNINGTON HILL, LLP.

By: /s/ H. Allen Pennington, Jr.
H. Allen Pennington, Jr.
State Bar No. 15758500

Tindall Square—Warehouse No. 3
509 Pecan Street, Suite 101
Fort Worth, Texas 76102
Telephone: (817) 332-5055
Facsimile: (817) 332-5054

ATTORNEYS FOR MDA REALTY HOLDINGS,
LLC, MVB REALTY HOLDINGS, LLC, LF
REALTY HOLDINGS, LLC AND F & B NOTE
HOLDING, LLC

CERTIFICATE OF CONFERENCE

This is to certify that I have conferred with Mr. Keith Aurzada, on the merits of this motion, as well as counsel for Home Solutions and the Vose Entities. Both oppose this motion. Counsel for Boyce was unavailable today, but is presumed to be opposed to this Motion. Therefore, this matter is submitted to the Court for determination, and a hearing is requested on this motion.

/s/ H. Allen Pennington, Jr.
H. Allen Pennington, Jr.

CERTIFICATE OF SERVICE

I certify that on May 15, 2012, a true and correct copy of the foregoing document was served on the following counsel of record via electronic case filing or certified mail, return receipt requested.

Mr. David B. Reece
U.S. Securities and Exchange Commission
Fort Worth Regional Office
Burnett Plaza, Suite 1900
801 Cherry Street, Unit #18
Fort Worth, Texas 76102-6882
Ph: 817-978-6476
Fx: 817-978-4927
Attorney for SEC

Via ECF

Mr. Jay L. Krystinik
Bryan Cave, LLP
2200 Ross Ave., Suite 3300
Dallas, Texas 75201-7965
Ph: 214-721-8000
Fx: 214-721-8100
Attorney for Receiver Keith Aurzada

Via ECF

Mr. John Helms
Helms Roberts & Diaz
6060 N. Central Expressway, Suite 560
Dallas, Texas 75206
Ph: 214-800-2086
Fx: 214-800-2057
Attorney for Defendant James Temme

Via ECF

Mr. Jim L. Flegle
Loewensohn Flegle Deary, LLP
12377 Merit Drive, Suite 900
Dallas, Texas 75251
Ph: 214-572-1700
Fx: 214-572-1717
Attorney for Non-Party Charles A. Vose, III

Via CMRRR

Mr. Michael J. Quilling
Quilling, Selander, et al.
2001 Bryan Street, Suite 1800
Dallas, Texas 75201
Attorney for Non-Party Robert Boyce

Via CMRRR

/s/ H. Allen Pennington, Jr.
H. Allen Pennington, Jr.

R:\10\Aufrecht\SEC Pleadings\Motion for Relief from Stay-2.doc



BARLOW GARSEK & SIMON, LLP

3815 Lisbon Street | 817.731.4500
Fort Worth, TX 76107 | 817.731.6200 fax

August 23, 2011

www.bgsfirm.com

F & B Note Holding, LLC
c/o David B. Aufrecht
Attorney at Law
65 E. Wacker Place, Suite 2300
Chicago, Illinois 60601

Re: F & B Note Holding, L.L.C. – Fraudulent Assignment of Notes and Mortgages

Dear Mr. Aufrecht:

Our firm represents Home Solutions, LLC and Home Solutions GP, LP. Based upon our preliminary investigation, it appears that an entity called Stewardship Fund, LP has fraudulently assigned to F & B Note Holding, LLC a portfolio of notes and mortgages on residential real property that it did not own and had no authority to sell. It appears that F & B Holding, LLC paid \$3,139,667.20 in exchange for the notes and mortgages. Reference is made to that certain Assignment of Contract dated April 26, 2011 by which this fraudulent assignment was purportedly made. My clients believe that the signature of Charles A. Vose, III on the document is a forgery. While the signature of James Temme may be genuine, he had no lawful authority to execute the document. The notes and mortgages identified on Exhibit "B" of the Assignment of Contract remain the property of my clients and were not lawfully sold. You should contact Stewardship Fund, LP and James Temme regarding a refund of money that your client paid under false pretenses. Please do not attempt to execute control over the property purported to be assigned. For your convenience, I am forwarding a copy of the fraudulent Assignment of Contract.

If you have any questions, please call me.

Sincerely,

A handwritten signature in cursive script that reads 'Robert A. Simon'.

Robert A. Simon

RAS/ct

Enclosure

No. 366-04260-2011

In re: PETITION OF EQUITAS HOUSING FUND III, LP, MDA REALTY HOLDINGS, LLC, MVB REALTY HOLDINGS, LLC and LF REALTY HOLDINGS, LLC TO INVESTIGATE POTENTIAL CLAIMS

IN THE DISTRICT COURT

AGAINST

OF COLLIN COUNTY

COMERICA BANK, JAMES TEMME, KARL KOCH, DOUG FURRA, HALO GROUP, INC., HALO ASSET MANAGEMENT, LLC, HOME SOLUTIONS, LLC, HOME SOLUTIONS PARTNERS, LP and EQUITAS HOUSING FUND, III, GENPAR, LLC



366TH JUDICIAL DISTRICT

VOSE'S RESPONSE TO 202 PETITION

Charles A. Vose, III, Respondent, files this response to the Petition to Investigate Potential Claims ("202 petition") requesting that pre-suit discovery be denied.

1. Petitioners request authority to investigate potential claims against James G. Temme ("Temme") and "perhaps others" with respect to certain investment funds. Petition, ¶ 14.

2. Charles A. Vose, III ("Vose"), Respondent, was served with the 202 petition and notice of hearing in this cause on November 2, 2011. Vose is listed in the petition as the "Corporate Representative" of "Home Solutions, LLC," a non-existent entity. Further, Petitioners requested the deposition of a "Corporate Representative" of "Home Solutions Partners, LP," another non-existent entity. Exhibit 1, Vose Aff., ¶ 34.

3. James Temme ("Temme") and Stewardship Fund, LP ("Stewardship") are the defendants in a federal securities action filed by the Securities Exchange Commission in the

FILED
2011 NOV 14 PM 3:58
PATRICIA CRIDGER
DISTRICT CLERK
COLLIN COUNTY TEXAS
BY [Signature] DEPUTY

VOLUMINOUS EXHIBITS OMITTED

Eastern District of Texas, styled Civil Action No. 4:11-cv-00655-MHS-ALM, *Securities and Exchange Commission v. Temme and Stewardship Fund, LP*, in the United States District Court for the Eastern District of Texas, Sherman Division ("SEC Action"). In the SEC Action, the federal court has entered various orders for injunctive relief and the appointment of a receiver over the Receivership Estates of Temme and Stewardship. See Exhibits 2, 3, and 4. Pursuant to the receivership orders, the federal court has ordered that "[a]ny and all civil actions or other proceedings" against any "Temme-controlled entities" and against the "Stewardship Fund Entities" are stayed. (emphasis supplied). Exhibits 2 and 3, ¶ 7.

4. Vose has previously provided a declaration in the SEC Action, which is available publicly on the federal PACER system. Exhibit 1, Attachment A. Counsel for Home Solutions GP, LP has previously supplied certain Petitioners with correspondence and documents regarding "Servicing of certain non-performing notes and deeds of trust or REO." Exhibit 1, Attachment B.

5. For the following independently dispositive reasons, the Petitioners' request to depose Vose and/or the corporate representatives of two non-existent entities should be denied. Moreover, under the circumstances, Petitioners cannot meet their burden of proof to satisfy either of the required findings of Rule 202.4, TRCP. Alternatively, should the Court be inclined to allow limited discovery, which Vose vigorously opposes, the discovery should be limited to a two-hour deposition at the office of Vose's counsel.

6. This Response is based on the affidavit of Charles A. Vose, III, attached as Exhibit 1, various federal court orders also attached as Exhibits 2, 3, and 4, as well as any documentary evidence and testimony presented at the hearing.

I. ARGUMENT AND AUTHORITIES

A. Rule 202 Discovery Is Limited

7. “The intrusion into otherwise private matters authorized by Rule 202 outside a lawsuit is not to be taken lightly.” *In re Does*, 337 S.W.3d 862, 865 (Tex. 2011) (mandamus granted directing district court to vacate discovery order and grant relators’ motions to quash). “[P]re-suit discovery ‘is not an end within itself’; rather, it ‘is in aid of a suit which is anticipated’ and ‘ancillary to the anticipated suit.’” *In re Wolfe*, 341 S.W.3d 932, 933 (Tex. 2011) (mandamus granted directing district court to vacate discovery order and dismiss the proceeding). Texas courts must strictly limit and carefully supervise pre-suit discovery to prevent abuse of the rule. *Id.* The Supreme Court agrees with the observation by Professor Lonny Hoffman, a “noted commentator,” that there is “cause for concern about insufficient judicial attention to petitions to take pre-suit discovery” and that “judges should maintain an active oversight role to ensure that [such discovery is] not misused.” *In re Does*, 337 S.W.3d at 865 (referencing *Access to Information, Access to Justice: The Rule of Pre-suit Investigatory Discovery*, 40 U. Mich. J. L. Reform 217, 273-74 (2007)).

8. Requiring an individual to sit for a deposition and disclose information is “a substantial burden. It is intrusive, expensive, and time-consuming.” *In re Hewlett Packard*, 212 S.W.3d 356, 362 (Tex. App.-Austin 2006). Petitioners cannot meet their burden to satisfy the required findings in Rule 202.4, TRCP and the discovery should be dismissed.

B. The 202 Petition is Inadequate to Support Discovery From Vose

9. Petitioners improperly attempt to place discovery burdens on Vose and non-existent entities, who are not the subject of the allegations asserted by Petitioners. On the face of

the Petition, it is clear that Petitioners' causes of action, if any, are limited to claims against Temme and Stewardship. The Petition alleges:

- James Temme implemented the subject transaction, ¶ 8.
- Temme represented to Petitioners that Stewardship Fund, LP could close on its contract to buy certain mortgages from Home Solutions Partners, LP and provide the mortgages to Equitas, ¶ 9.
- Temme, Koch, and the Stewardship entities have failed to return 90% of the money paid on the mortgage investment, ¶ 11.
- Petitioners believe that Temme and others fraudulently induced the investment of millions of dollars by Equitas' investors and improperly diverted assets, ¶ 13.
- Petitioners believe they "may have claims against Temme and perhaps others with respect to the investment funds." ¶ 14.

10. Petitioners have not stated any potential cause of action against Vose or the non-existent entities, much less stated any potential cause of action against the entities for whom Vose works. In fact, the only statement that relates to Petitioners' interaction with any Home Solutions entity is in paragraph 10, in which a Home Solutions entity informed Petitioners that the Purchase Contract allegedly between "Home Solutions Partners, LP" and Stewardship was fraudulent. Petition, ¶ 10. *See also* Exhibit 1, Vose Aff. ¶ 7.

11. Pleadings are not competent evidence to prove the facts alleged in them even if, as here, the pleadings are sworn or verified. *In re Rockafellow*, 2011 WL 2848638, *4 (Tex. App.-Amarillo, July 19, 2011). However, even if they were, it is clear on the pleadings before the Court that there is no set of circumstances that Petitioners can present sufficient to justify Rule 202 discovery in this proceeding.

C. The Federal Court Has Stayed "Other Proceedings" Against Temme and Stewardship

12. In the SEC Action, the Eastern District of Texas has entered two receivership orders: one involving the Temme-controlled entities and one involving Stewardship Fund

entities. In each order, the federal court has “stayed” any and all civil actions “or other proceedings against” the Temme-controlled Entities and the Stewardship Fund Entities. True and correct copies of these orders are attached as Exhibits 2 and 3 (see paragraph 7 of each order). Respondent requests the Court to take the judicial notice of these orders and the SEC Action. To Respondent’s knowledge, Petitioners have not requested permission from the federal court to proceed in this action. Moreover, the federal court has entered a preliminary injunction against Temme personally. A true and correct copy of the preliminary injunction is attached as Exhibit 4.

13. Vose and those entities by whom he is employed dispute that their assets are the subject of either the receivership orders or the injunction in the SEC Action. However, due to the fact that Petitioners claim that they are investigating claims “against Temme and perhaps others”—most likely including Stewardship Fund Entities—it is Respondent’s position that this action should not proceed without approval of the Eastern District of Texas. This is because it is clear that pre-suit discovery “is not an end within itself” but rather “ancillary to the anticipated suit,” which in this instance is obviously an anticipated suit against Temme entities and Stewardship Fund Entities. *In re Wolfe*, 341 S.W.3d at 933.

D. The Petition Seeks Discovery From Parties That Do Not Exist

14. The Petition seeks to depose corporate representatives of “Home Solutions, LLC” and “Home Solutions Partners, LP.” However, these entities do not exist to Respondent’s knowledge. Exhibit 1, Vose Aff. ¶¶ 3-4. Mr. Vose is not employed by Home Solutions, LLC or Home Solutions Partners, L.P. and has never worked for Home Solutions, LLC or Home Solutions Partners, L.P. *Id.* Petitioners acknowledge that “Home Solutions Partners, LP may not even exist.” Petition, ¶ 10. To the extent required by Rule 93, TRCP, Respondent denies that

Home Solutions Partners, LP is a partnership and that Home Solutions, LLC is incorporated as alleged. Exhibit 1, Vose Aff. ¶ 8. The Court should deny the requested discovery.

E. Petitioners Cannot Satisfy the Required Findings For Rule 202 Discovery

15. The Court must make one of two required findings before ordering that a deposition pursuant to Rule 202 be taken. Rule 202.4, TRCP. Either the Court must find that the requested deposition “may prevent a failure or delay of justice in an anticipated suit” or the “likely benefit” to the petitioner outweighs “the burden or expense of the procedure to the respondent.” Neither finding can be supported by Petitioners in this proceeding.

16. As previously mentioned, Petitioners have had access to significant information from Vose and other sources regarding the “issues and matters” described in the 202 Petition. First, Petitioners received correspondence from counsel for Home Solutions GP, LP dated September 21, 2011, explaining certain events and attaching certain documents. A true and correct copy of this correspondence is attached as Exhibit 1, Attachment B. Further, Petitioners have had access to the detailed Vose Declaration that was filed in the SEC Action. A true and correct copy of the Vose Declaration is attached as Exhibit 1, Attachment A.

17. Under the circumstances, there is no conceivable way that the Petitioners could show that the burden balance tilts in their favor. The Rule 202 discovery should be denied.

F. Alternatively, Petitioners Should Be Strictly Limited with Regard to the Deposition and the Documents

18. In the alternative, Vose requests that if the Court grants any of the relief sought in the Petition, Petitioners should be strictly limited with regard to the time they are allowed for a deposition and Petitioners' request for document production should be denied. One deposition of no more than two hours is more than sufficient for Petitioners to verify the ownership rights of certain Home Solutions entities—none of which are listed in the 202 petition—to any properties

Petitioners dispute. Vose further requests that the scope of any deposition or document request be limited to the allegations made in the 202 petition.

II. CONCLUSION

WHEREFORE, Vose prays that the pre-suit discovery requested by Petitioners be denied in its entirety.

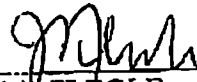
Alternatively, Vose requests that the Court limit the pre-suit discovery to one deposition of two hours and the production of no documents. Vose further requests in the alternative that the scope of any discovery be limited to the topics disclosed in Paragraph 10 of the Petition.

Vose further requests any additional relief to which he is justly entitled, including attorneys' fees, costs and expenses incurred in responding to the 202 petition and providing the testimony and documents Petitioners seek.

DATED: November 14th, 2011.

Respectfully submitted,

LOEWINSOHN FLEGLE DEARY, LLP



JIM L. FLEGLE
Texas Bar No. 07118600
MICHAEL J. DONLEY
Texas Bar No: 24045795
12377 Merit Drive, Suite 900
Dallas, Texas 75251
(214) 572-1700
(214) 572-1717 (fax)

ATTORNEYS FOR
CHARLES A. VOSE, III

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above pleading was served via Federal Express on the parties identified below on November 14th 2011:

H. Allen Pennington, Jr.
Jacob T. Fain
Pennington Hill, LLP
509 Pecan Street, Suite 101
Telephone: (817) 332-5055
Fax: (817) 332-5054
Fort Worth, Texas 76012


Michael J. Donley

* * *

LOEWINSOHN FLEGLE DEARY
L · L · P

September 21, 2011

Via Email

Mr. Michael Barry
F & B Note Holding, L.L.C.
500 Timber Springs
P.O. Box 2664
Edwards, CO 81632

Re: Servicing of certain non-performing notes and deeds of trust or REO

Dear Mr. Barry:

We represent Home Solutions GP, LP ("Home Solutions") in its capacity as general partner of Home Solutions Partners I, LP, Home Solutions Partners II, LP, Home Solutions Partners III, LP and Home Solutions Partners IV, LP (collectively "Home Solutions LPs"). The Home Solutions LPs have invested in certain Real Estate Assets, including notes, deeds of trust and REO.

It has come to the attention of Home Solutions that you have contacted the iServe Servicing, Inc. in Irving, Texas, requesting the transfer of certain notes, deeds of trust and REO that are owned by various of the Home Solutions LPs. The rights of the Home Solutions LPs were previously described in correspondence to Mr. David B. Aufrecht in a letter from Mr. Robert A. Simon dated August 23, 2011. A copy of Mr. Simon's letter (including enclosure) is attached for your reference.

As described in Mr. Simon's letter, the notes and mortgages identified on Exhibit B of a purported "Assignment of Contract" dated April 26, 2011 ("Alleged Assignment") are the property of the Home Solutions LPs. Additionally, you should be aware of the following: Neither Home Solutions nor the Home Solutions LPs, sold the Loans and REO referenced in the "Charged Off, Non-Performing Note Sale, Mortgage and Real Estate Owned Agreement" ("Alleged Sale Contract") to Stewardship Fund, LP. Mr. Vose has advised our client that he did not sign, or authorize anyone to sign on his behalf, the Alleged Sale Contract and that the signature purporting to be his is a forgery. To our knowledge there is no entity named "Home Solutions Partners, LP." Further, neither Home Solutions nor any of the Home Solutions LPs



Mr. Michael Barry
September 21, 2011
Page 2

received any portion of the purchase price reflected in the Alleged Sale Contract or any funds from the Alleged Assignment of Contract executed by F & B Note Holding, L.L.C.

On behalf of Home Solutions and the Home Solutions LPs you are hereby requested to cease and desist from any attempt to exercise control over or possession of the instruments and property identified in Exhibit B of the Alleged Assignment, including any contacts with the iServe Servicing, Inc. or any other servicer. If you, or any other representative of F & B Note Holding, L.L.C., attempts to interfere with the ownership rights of the Home Solutions LPs, our client will take any and all legal action to protect the respective ownership interests of the Home Solutions LPs.

If you have any questions, please direct them to me. We look forward to, and expect, your cooperation.

Very truly yours,



Jim L. Flegle

Direct: 214.572.1701

Email: jimf@LFDlaw.com

JLF/mlj
Enclosure

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

vs.

Civil Action No. 4:11-cv-00655

JAMES G. TEMME,
STEWARDSHIP FUNDS, LP

Defendants.

ORDER GRANTING MOTION FOR RELIEF FROM STAY

On this day the Court considered the Motion for Relief From Stay and Brief in Support Thereof ("Motion") filed by certain nonparties to this action, MDA Realty Holdings, LLC, MVB Realty Holdings, LLC, LF Realty Holdings, LLC, and F & B Note Holding, LLC (collectively, the "Finch and Barry Group"), and any responses filed thereto. After considering the Motion and the responses, if any, it is the Court's opinion that the Motion should be GRANTED.

It is, therefore, ORDERED that, notwithstanding any stay orders entered by this Court, the Finch and Barry Group is hereby granted leave of this Court to proceed with either petitions to investigate claims under Texas Rule of Civil Procedure 202, in a Texas state court proceeding, or simply file affirmative claims for relief against one or more of the following persons and entities: Home Solutions Advisors, LLC, Home Solutions, GP, LP, Home Solutions Partners I, LP, Home Solutions Partners II, LP, Home Solutions Partners III, LP, Harbour Portfolio I, LLC, Harbour Portfolio II, LLC, Charles A Vose, III and Robert Boyce, relating to any potential recovery of monies which Finch and Barry Group have traced to these entities, which originated in an April

27, 2011 wire-transfer of \$3,139,667.20, which originally went to a bank account of Home Solutions Partners I, LP.

By entering this order, the Court expresses no opinion on whether the Motion for Relief from Stay filed by the Finch and Barry Group in this action was necessary, nor makes any ruling that this order is necessary, to allow them to proceed with the above claims, but the Court understands that at least with regard to the Home Solutions entities, that these movants had previously filed a petition to investigate potential claims in the 366th Judicial District Court of Collin County, Texas, where the Court advised that he would not grant an order allowing a Rule 202 proceeding without the precaution of an order granting relief from stay in this matter from this Court.