

**UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF NORTH CAROLINA**

**BRIAN C. WILLIAMS,
MARICOL YUNAIRA TINEO DE
LEON, JAIRO VENSRIQUE
LEON DA COSTA, MIKE
GUSTAFSON, and others
similarly situated,**

PLAINTIFFS,

v.

**THE ESTATES LLC, THE
ESTATES (UT), LLC, TIMBRA
OF NORTH CAROLINA, LLC,
THE ESTATES REAL ESTATE
GROUP, LLC, TONYA
NEWELL, LYNN PINDER,
CAROLYN SOUTHER, LA
ROCHELLE, LLC, CRAIG
ORSON BROOKSBY, AVIRTA,
LLC, KING FAMILY
ENTERPRISES, LLC, GG
IRREVOCABLE TRUST,
ADKEN LLC, BENDERWOOD
LLC, BLUE ROCK HOMES
LLC, BLUEBOTTLE LLC,
BUTAN LLC, CANNON FIRE,
LLC, CARLIANO LLC,
CASTLETON LLC, CHAZAG
LLC, CHERNESS, LLC,
CHINSIA LLC, CHRISWERN
LLC, CREER, LLC, CWBRIDGE
LLC, CWCASTLEWOOD, LLC,
CWDANTE LLC, DARAFIN**

Case No.: 1:19-cv-01076-CCE-JLW

**FIRST AMENDED COMPLAINT
FOR VIOLATION OF THE
FEDERAL ANTITRUST LAWS**

Fed. R. Civ. P. 23

JURY TRIAL DEMANDED

CLASS ACTION

LLC, DEXTRON LLC, DOUBLE
D ENTERPRISES OF
DURHAM, LLC, DRAKESHIRE
LLC, DUNKIRK LLC,
DUNSMURE LLC, EDEN
SERVICES LLC, EL
PROPERTY HOLDINGS, LLC,
EMBARCADERO LLC, ERNESS
LLC, ESTAN LLC, FONTANAY
LLC, FORBES LLC, GAVOS
LLC, GIDEER LLC, HALLIARD
LLC, HANTELL LLC, HEVEA
LLC, HISHAM LLC, HOUSE
HUNTER INVESTING LLC,
IMEON LLC, INDELL LLC,
INURE LLC, ITALY LLC,
JANSS LLC, JAUNT LLC, JON
LLC – KNOTTING HILL
SERIES, JULIUS HILL
PROPERTIES LLC, KARUNA
LLC, KELSON LLC, KINTEL
LLC, MALDIVES, LLC,
MANTICA LLC, MIWOK LLC,
MOON HOLDINGS, LLC,
MOSHON LLC, NC ALAMANCE
RE ASSET I LLC, NC BIDDING-
2, LLC, NIDGE BROOK, LLC,
NOSORA LLC, NUALL LLC,
NUNMONT LLC, OBIVA LLC,
OPAZ LLC, ORADEA LLC,
OSTIA LLC, PARACOSE LLC,
PASTURE HOLDINGS, LLC,
PERISSUO PARTNERS, LLC,
PEROGA LLC, PORTLICK
DRIVE, LLC (TX), PROPRIO
LLC, QUI LLC, QUINTON LLC,
QUOVIA LLC, RE RESULTS,

LLC, ROYANAH LLC, SANORA
LLC, SHILLINGTON LLC,
SULAR LLC, TESIAS LLC,
TICOTY SERIES LLC, TILDEN
LLC, TREE HOLDINGS, LLC,
VALENSEN LLC(UT), VERSA
PROPERTIES, LLC,
WADESTONE, LLC (UT),
WESTBROOK HOLDINGS,
LLC, WINSOME LLC,
WOLCOTT PARK LLC,
YANGTZE LLC, YEOMAN LLC,
YUKON LLC, ZAPA LLC, 2 AND
5 FISH, LLC, ALOSA REALTY,
LLC, BANNISTER ROCK, LLC,
BERMUDA HOLDINGS LLC,
CARILL, LLC, CASTEDNET
LLC, CEDAR HOUSE
PROPERTIES, LLC, CHADASH
REALTY GROUP, LLC,
CHANDLER PROPERTY
HOLDINGS, LLC, CHANTRY
HOLDINGS, LLC, CLOCK
ACADEMY LLC, EVERGREEN
PROPERTY HOLDINGS, LLC,
FIELD VIEW, LLC,
GRANDAPPLE, LLC,
GSBOREALIS, LLC, HEART
ASPEN PROPERTIES, LLC,
HUNTER FE, LLC, JURAS LLC,
JUROS LLC, KEZIAH
HOLDINGS, LLC, LAND
DEVELOPMENT AND
ACQUISITION LLC, MILL
PROPERTIES LLC, NEWFORT
LLC(UT), NLTSUCCESS LLC,
RAPHA, LLC, RED TREE

**HOLDINGS, LLC, RP ASSETS
LLC, RUCKSACK HOLDINGS,
LLC, SAFIRE LLC, SORGHUM,
LLC, SUNSPRING LLC,
THUNDERBIRD PROPERTIES
OF NORTH CAROLINA LLC,
TIMBER REFUGE, WEHAB
HOMES, LLC (NV), HAPPY
DOGS ONE TRUST LLC,
ACRONOLIS LLC, CRATER
LLC, CWFORTRESS LLC,
DOLOROCK LLC, KONRADD
LLC, MESSINA LLC,
PINEMORE LLC, SHALYN
LLC, STUDIO AVE LLC,
THISTLE LLC, and WENDELL
LLC.**

DEFENDANTS.

Plaintiffs Brian C. Williams, Maricol Yunaira Tineo De Leon, Jairo Vensrique Leon Da Costa, and Mike Gustafson (“Plaintiffs”) for their Complaint against the Defendants allege as follows:

SUMMARY

1. The Estates is a cartel that has engaged, and continues to engage, in a bid-rigging scheme in violation of Section 1 of the Sherman Antitrust Act (the “Sherman Act”). Individuals become members of the Estates. As members, they gain access to a database of properties facing foreclosure across the country. Members agree that only one member may bid through the Estates on any given property at any particular foreclosure sale and that no member may out-bid another. The amount that each member intends to bid is shared with the Estates through entries in an electronic database. “Acquisition Assistants” form “Bidding LLCs” for the purpose of placing a bid on behalf of the member who won the internal auction. The Estates, through founder Craig O. Brooksby or others, retains some control of the Bidding LLC.

2. The Estates is paid a “finders fee” for every property that a member bids on at a foreclosure sale, and bids are placed on the members’ behalf by the Estates. The Estates is also paid additional fees and shares the profits in simple transactions. In more complex transactions, an “Equity-Share

LLC” is established with the bidder, Brooksby and a “funder” sharing the profits from the transactions.

3. The Plaintiffs, and other similarly situated homeowners and property owners, lost their homes and properties through the Estates’ illegal bidding practices or otherwise were deprived of proceeds in excess of the foreclosed debt because when properties are sold at foreclosure auctions, the proceeds are used to pay off the mortgage and other debt attached to the property, with any remaining proceeds paid to the homeowner.

4. The entire structure of the Estates is based on a bid-rigging scheme in which members stake out their positions at foreclosure and share that information with Brooksby and the Estates. When multiple people bid, only one is “awarded” the chance to bid at the foreclosure through the Estates and to use the “techniques” that Brooksby devised to leverage the position in which the foreclosure placed the bidder. Each instance of bid rigging engaged in by the Estates, its employees, contractors, and members constitutes a felony, and is a *per se* violation of the Sherman Act. The members’ acts constitute a conspiracy under the Act. Homeowners such as the Plaintiffs suffered serious harm, losing valuable equity in their homes if not their homes themselves, because of Defendants’ anti-competitive behavior, which distorted the process

in North Carolina foreclosure sales. Defendants unfairly and unjustly profited from their wrongdoing.

5. Defendants are liable to Plaintiffs for violations of Section 1 of the Sherman Act, as well as unjust enrichment, and unfair and deceptive trade practices under North Carolina law.

PARTIES

1. Plaintiffs

6. Plaintiff Brian C. Williams (“Williams”) is a citizen and resident of Durham County, North Carolina.

7. Plaintiff Maricol Yunaira Tineo De Leon (“De Leon”) is a citizen and resident of Wake County, North Carolina.

8. Plaintiff Jairo Vensrique Leon Da Costa (“Da Costa”) is a citizen and resident of Wake County, North Carolina.

9. Plaintiff Mike Gustafson (“Gustafson”) is a citizen and resident of Mecklenberg County, North Carolina.

2. Defendants

10. The Estates Cartel: The Estates is a cartel that was formed by Craig O. Brooksby, who deliberately fragmented the enterprise into a large number of individual entities, upon information and belief doing so to avoid liability in an action such as this that is brought against the entire enterprise.

Although there are numerous limited liability companies involved, the Estates Cartel is in fact a single entity devised by Brooksby as an “asset protection structure.” Brooksby Depo at 83:5-6.¹ While there are over 100 individual entities involved in hundreds foreclosure sales of properties, Brooksby has testified that there were only 58 distinct individuals involved in the buying of homes. *Id.* at 52:3-4. This Complaint divides the Estates Cartel Defendants into four groups: (1) the Brooksby Defendants, (2) the Estates Defendants, (3) the Bidding LLC Defendants, and (4) the Equity Share LLC Defendants. All are collectively referred to as the “Estates Cartel.” A chart that details the structure of the cartel is attached as **Exhibit 1**.

11. The Estates Defendants: The Estates Defendants are a series of companies and individuals who are directly associated with the management of the Estates Cartel and the database through which the Estates operates. Information regarding the Estates Defendants is attached as **Exhibit 2**.

12. The Brooksby Defendants: The Estates Cartel was founded by Defendant Craig O. Brooksby. Brooksby has an ownership interest in the Estates Defendants and the Equity Share Defendants through a series of LLCs, principally Avirta, LLC. A list of the Brooksby Defendants is attached as **Exhibit 4**.

¹ Copies of relevant pages of the 30(b)(6) Deposition of The Estates, LLC, at which Craig Brooksby was the designated deponent are attached as **Exhibit 3**.

13. The Bidding LLCs: Members of the Estates are required to establish separate companies to participate in each foreclosure sale. These LLCs, which are established for the sole purpose of placing a bid and purchasing the property are Bidding LLCs. An Acquisition Assistant and sometimes another Estate representative, as well as the winning bidder, serve as managers. A list of the Bidding LLC Defendants is attached as **Exhibit 5**.

14. The Equity Share LLCs: In the case of “complex” transactions separate LLCs are established, all of which are owned and controlled by the Brooksby Defendants, which are Equity Share LLCs. The Estates Cartel derives profits through the Equity Share LLCs through the sale of the underlying properties. A list of the Equity Share LLC Defendants is attached as **Exhibit 6**.

JURISDICTION AND VENUE

15. Plaintiffs institute this action under the private enforcement provisions of the Clayton Act, 15 U.S.C. §§ 15 and 16, for damages and to secure injunctive relief against Defendants for violation of Section 1 of the Sherman Act, 15 U.S.C. § 1.

16. Plaintiffs invoke the jurisdiction of this Court pursuant to 28 U.S.C. §§ 1331 and 1337 and 15 U.S.C. §§ 15 and 16.

17. Plaintiffs further assert supplemental jurisdiction of this Court over the causes of action that arise under the laws of the State of North Carolina, particularly Unfair and Deceptive Trade Practices under Chapter 75 of the North Carolina General Statutes.

18. Venue is proper in this Court pursuant to 15 U.S.C. §§ 22 and 26 and 28 U.S.C. § 1391(b) – (d) because the unlawful practices are alleged to have been committed in this District, Defendants regularly conduct business in this District, at least one Defendant has its principal office in this District, and at least one Plaintiff resides in this District.

FACTS

A. The Estates and Bid-Rigging

19. The Estates Cartel solicits investments from individuals and businesses across North Carolina to take part in a “system” that coordinates bidding on foreclosures in North Carolina, South Carolina and Texas and teaches techniques that allow members to leverage the state law foreclosure process to convince homeowners to deed their homes to Estates members.

20. The Estates Defendants maintain an online database of properties facing foreclosure nationwide (the “Estates Database”). According to the Timbra, LLC Wholesale Buyer Licensing Agreement (the “Timbra Agreement”), Defendant Timbra provides access to the Estates Database

through an arrangement with Estates NC and/or Estates UT. The three LLCs appear to be treated interchangeably, or at most there is an oral agreement between them to share this information. A copy of the Timbra Agreement is attached as **Exhibit 7**.

21. Upon information and belief, the Estates Database provides a broad range of real estate and related information that is compiled from public information. The Estates Database includes real estate data along with the Estates Defendants' opinions on the properties.

22. Pursuant to the Timbra Agreement, the Estates Defendants receive the following different types of fees or compensation involved with the acquisition of any property through the Estates Database:

- a. Monthly User Fee – a monthly user fee of \$99.97 for the first county and \$50.00 per month for each additional county (since changed to a \$99.97 per month fee for unlimited access);
- b. Acquisition Fee to Timbra – Timbra receives an acquisition fee for any properties acquired from the Estates Database;
- c. Profit Splits – There are several profit-sharing arrangements between the Estates Cartel and the members, with “simple” transactions – defined as a simple bid with no strategy and simple

offer – having a profit split of 2/3 to the Member and 1/3 to the Estates Defendants.

23. In addition to the profits derived by the cartel through fees paid directly to the Estates Defendants, in the case of “complex” transactions separate LLCs are established, all of which are owned and controlled by the Brooksby Defendants, which are Equity Share LLCs. The Estates Cartel derives profits through the Equity Share LLCs through the sale of the underlying properties.

24. Persons who have contracted with the Estates to obtain information about properties being sold at foreclosure and who agree to bid on those properties through the Estates are referred to in this Complaint as “Members” of the Estates.

25. Members relinquish control over their ability to freely bid on foreclosure properties in exchange for placing bids through the cartel as part of this scheme. Brooksby and other participants “coach” all of the Members through the bidding and acquisition process.

26. Upon information and belief, Members are required to use The Estates Real Estate Group LLC, a brokerage selected by the Estates and owned by Avirta, one of the Brooksby Defendants. If Members want to use another agent and/or brokerage, then Brooksby or the Estates must approve it.

27. Upon information and belief, Members are required to use closing attorneys selected by the Estates or seek the approval of the Estates and/or Brooksby to select an alternative attorney.

28. Members of the Estates are required to establish separate companies to participate in each foreclosure sale.

29. Some LLCs are established for the sole purpose of placing a bid and purchasing the property (“Bidding LLCs”)

30. Other LLCs, all of which are partially owned by the Brooksby Defendants and controlled by them, are Equity Share LLCs that receive profits through the sale of the acquired properties.

31. Brooksby described this fragmented structure as an “asset protection structure.” Upon information and belief this excessively fragmented structure is designed both to mask the involvement of Brooksby and the Estates Cartel in the transactions and to make it difficult to discover the coordinated nature of the bidding at numerous foreclosures. *See Exhibit 1.*

32. Through the Estates Database, the Members are given access to multiple properties facing foreclosure.

33. However, under its agreement with its Members, the Estates prohibits more than one Member from bidding on a given foreclosure.

34. Carolyn Souther, a Member, has testified under oath in another proceeding that all Members enter into a non-compete agreement.²

35. Christian Werness, a former Estates member, described this in a declaration filed in this matter:

The Estates maintains a database of foreclosures in North Carolina as well as other states. The database is compiled from public information, but also includes assessments of the various properties. Members who are interested in bidding on properties indicate that interest in the database. **As members of the Estates we expressly agreed that only one member of the Estates could bid on any one property, and that we would coordinate our bidding through the Estates' database.** This was a standard practice of the Estates, and I am aware of this coordination of bidding happening in dozens of foreclosures. Craig Brooksby was the founder of the Estates, and personally told me that only one Estates member could bid at any given foreclosure.

Werness Declaration at ¶¶ 4-5 (ECF No. 65) (emphasis added).

36. In her deposition, Souther described the bid-rigging process in some detail:

Q. Is there any requirement if you get information on a property from The Estates database, that you tell The Estates that this is where you learned about it?

A. Yeah, if I find a property through The Estates, then I am going to pay a finders fee for that, that's part of my commitment to them.

Q. And part of your commitment is that you're not going to bid on a property with another Estates member, against another member?

² Copies of relevant portions of Carolyn Souther's deposition are attached as **Exhibit 8**.

A. Right.

...

A. I will not bid against someone else bidding on The Estates. If somebody else finds the property, I will not go in and bid against them.

Q. Is that something that you're prohibited from doing?

A. It's an agreement that we make within The Estates.

...

A. If I did want to bid on it, I would call that person, and I have, to say are you still interested in this particular property, in which case they might say, no, I'm not, and go for it. And I'll say okay. Or they'll say, I am. And I'll say, let me know if you decide against it.

Souther Deposition 59:6-16, 102:12-18, 102: 21-103:2 (emphasis added).

37. She also testified:

Q. Do[es] [The Estates] have to approve, saying yes, no, you can go bid on this property because they cleared it in terms of the other investors?

A. Again, we don't cross bids. If someone is interested in a property, I'm not going to bid against them, or will they bid against me. That's probably within the organization.

Souther Deposition at 99:16-23 (emphasis added).

38. There is constant communication about who is bidding on what property:

A. Again, we talk a lot, so we know who is working on what properties. That's one of the reasons for having our meetings. *We talk about what properties, so if someone brings up a specific property, we understand that's the one they are pursuing.*

...

Q. Does The Estates itself offer advice; in other words, in our opinion, a good price to bid on this property would be X?

A. Sure, we all offer advice.

Souther Deposition 58:25 – 59:5, 60:7 – 10 (emphasis added).

39. Founder Brooksby described how bidders coordinated with him and with the Acquisition Assistants through the Estates Database:

If -- if Client A wanted to buy a property
[and they clicked "buy it" and they inserted the amount they were willing to pay and what they wanted to bid and all of the things they wanted to do with that property, then that would come to us on the backside so that we knew they were interested in that property. And then they could come in and talk to us and say, okay, well, what's the best way to buy this property, how much money.

Brooksby Depo. at 59:12-20.

40. He went on to say:

Q. All right. So what would happen when two people clicked "buy it"?

A. It would go to the acquisition assistant, and the acquisition assistant would have -- when they filled out the buy-it button, it would say how much they were willing to buy the property for. It would say -- it would say, here is your comp value, and here is -- it would ask how much are you willing to bid,

and it would say we are going to bid this amount. So the acquisition assistant would know how much that individual was willing to bid to buy that property, and so she may be able to see, okay, Susie was willing to pay 102,000, where Johnny was willing to pay 110,000.

Id. at 63:18 - 64:6

41. Once it is determined which Member of the Estates will be the winning bidder on a particular piece of property, the bid deposit is paid to the Estates.

42. The Estates member who is chosen to bid on a particular property sets up a Bidding LLC for the purpose of making the bid. *See id.* at 118:5-7.

43. The Acquisition Assistants choose the winning internal bid and serve as a manager of the Bidding LLC for the winning bidder. *Id.* at 235:15-16.

44. Bid funds are then paid to La Rochelle LLC – another Brooksby controlled entity. The Acquisition Assistants then use the funds deposited in the La Rochelle account to place a bid on behalf of the winner of the internal auction.

45. Upon information and belief, there are currently two “Acquisition Assistants” – Tonya Newell, and Lynn Pinder.

46. Defendant Tonya Newell is an “Acquisition Assistant.” Newell’s job is to serve as a manager of Bidding LLCs, attend foreclosure sales and place

the sole bid for the Member who was chosen as the bidder for that particular property.

47. Defendant Lynn Pinder is another “Acquisition Assistant.” Pinder’s job is to serve as a manager of Bidding LLCs, attend foreclosure sales and place the sole bid for the Member who was chosen as the bidder for that particular property.

48. By having Newell and Pinder place bids through the Bidding LLCs, the Estates ensures that its bid-rigging arrangement will be successful and that only one bidder may bid through the Estates.

49. Upon information and belief, both Newell and Pinder receive commissions if the bid placed by Newell is successful.

50. Brooksby confirms this, noting that the only way an Estates member who did not bid through the Estates Database could purchase property was to “go around the acquisition assistant and go to the county themselves and bid at the county.” *Id.* at 65:14-16. However, Brooksby could not recall any time that this ever happened. *Id.* at 74:15 – 75:1.

B. The Nature of the Conspiracy

51. All of the Defendants have participated as co-conspirators of the Estates Cartel and have performed acts in furtherance of the conspiracy. All

Defendants are jointly and severally liable for the acts of their co-conspirators whether or not they have been named in this Complaint.

52. The Defendants entered into a contract or contracts and engaged in a combination in restraint of trade including, but not limited to, purchasing membership in the Estates Cartel, paying fees to the Timbra website/database, paying profits to the cartel through the Equity Shares and/or working in concert to bid (or refrain from bidding) on foreclosure properties.

C. The Foreclosures and Bidding

53. The Plaintiffs owned homes in North Carolina that were sold in foreclosure proceedings to a member, or to an entity created by a member, using the services provided by the Estates Defendants.

i. The Williams Foreclosure

54. Plaintiff Brian Williams owned a townhome located at 344 Red Elm Drive, Durham, North Carolina (the “Williams Home”).

55. The townhome went into foreclosure after he failed to pay money owed to his homeowners’ association, and the Williams Home was sold at foreclosure on May 23, 2019.

56. The Williams Home was listed in the Estates Database.

57. Upon information and belief five estates members submitted competing “Buy it” requests on the Williams Home:

- a. First Position: Keith Fiskum
- b. Second Position: Randy Mews
- c. Third Position: Tatsiana Shtal
- d. Fourth Position: Jason Spencer
- e. Fifth Position: Mbeja Lomotey

58. Upon information and belief Defendant Versa Properties, LLC (“Versa”) the Bidding LLC formed by Mbeja Lomotey, was designated to bid at foreclosure.

59. Versa was the high bidder at the foreclosure sale of the Williams Home.

60. Acquisition Assistant Tonya Newell placed the bid and paid a deposit on the Williams Home on behalf of Versa.

61. On or about August 2, 2019 Versa purported to assign its bid to Red Tree Holdings LLC (“Red Tree”).

62. Upon information and belief, Red Tree is an “Equity Share LLC” in which one of the Brooksby Defendants has an ownership interest.

63. Upon information and belief, the purchase of the Williams Home by Versa, the bid placed by Newell, and the assignment to Red Tree were all acts taken pursuant to a bid-rigging scheme propounded by the Estates Cartel.

ii. The DeLeon Foreclosure

64. Plaintiffs De Leon and Da Costa own a townhome located at 3435 Archdale Dr. Raleigh, North Carolina (the “DeLeon Home”).

65. The townhome went into foreclosure after they failed to pay money owed to their homeowners’ association, and the De Leon Home was sold at foreclosure on May 23, 2019.

66. The De Leon Home was listed in the Estates Database.

67. Upon information and belief Defendant Maldives, LLC (“Maldives”) the Bidding LLC formed by Estates member Mbeja Lomotey, was designated to bid at foreclosure.

68. Maldives was the high bidder at the foreclosure sale of the De Leon Home.

69. Acquisition Assistant Newell placed the bid and paid a deposit on the De Leon Home on behalf of Maldives.

70. Upon information and belief, the purchase of the De Leon Home by Maldives and the bid placed by Newell were all acts taken pursuant to a bid-rigging scheme propounded by the Estates.

iii. The Gustafson Foreclosure

71. Plaintiff Mike Gustafson owns a home located at 12722 Vantage Point Lane, Huntersville, North Carolina (the “Gustafson Home”).

72. The home went into foreclosure after he failed to pay money owed to his homeowners' association, and the Gustafson Home was sold at foreclosure on June 25, 2020.

73. Upon information and belief, the Gustafson Home was listed in the Estates Database.

74. NC-Bidding 2, LLC ("NC-Bidding") the Bidding LLC formed, upon information and belief, by Estates member Michael Tripp, was designated to bid at foreclosure.

75. NC-Bidding was the high bidder at the foreclosure sale of the Gustafson Home.

76. Acquisition Assistant Lynn Pinder placed the bid and paid a deposit on the Gustafson Home on behalf of NC-Bidding.

77. Upon information and belief, the purchase of the De Leon Property by NC-Bidding and the bid placed by Pinder were all acts taken pursuant to a bid-rigging scheme propounded by the Estates.

iv. Carolyn Souther

78. Defendant Carolyn Souther plays a unique role within the cartel. Because of the excessively fragmented structure, she is not an employee of the Estates LLC. Rather, upon information and belief she is hired by individual members and LLCs on a case-by-case basis.

79. In addition, upon information and belief, she serves as a manager of some of the Bidding LLCs, filling a role similar to that of an Acquisition Assistant.

80. Souther serves as an agent of the cartel and is often the first contact that a homeowner has.

81. For example, first notice Mr. Williams received of the sale was an official-looking document, dated June 26, 2019, called “Notice to Respond,” tacked to his door by Carolyn Souther, who, upon information and belief, was working on behalf of the Estates. The document recites a series of supposed obligations, obligations that the Plaintiff does not have to the high bidder at a foreclosure sale. A copy of the Notice to Respond is attached as **Exhibit 9**.

82. Souther added a hand-written note to the bottom: “I represent the investor who recently won your home in the HOA foreclosure action. I may be able to help you stay in your home. *Please call me ASAP to avoid legal proceedings.*”

83. Likewise, the first notice Ms. De Leon and Mr. Da Costa received was an identical notice, dated June 26, 2019, with a nearly identical handwritten note.

84. In her deposition, Souther testified that she had presented similar notices to other owners of homes that Estates Members had bid on, and that

she had written “something similar” on each notice. Souther Depo. 77:23 – 81:20.

85. Although in both cases she claimed to “represent” the “investor,” Carolyn Souther is neither a North Carolina licensed real estate broker nor a North Carolina licensed attorney.

86. In both the Williams and De Leon cases, Carolyn Souther made several attempts by both phone calls and text messages to demand a five-figure amount in exchange for the Bidding LLC walking away from its foreclosure bid.

87. In both cases, the “Notices”, which were drafted by attorney Stephanie Cooper Roberts, misstated the law, claiming that, even though the Bidding LLC had never paid its bid, the owners were nonetheless required to “vacate the property within 10 days.” But, at the time this “Notice” was sent to the owners of the property, they had every right to live there.

88. In the case of Mr. Gustafson, over a year later, Ms. Souther did not use the Cooper notice but instead communicated similar deceptive information in person and through text messages.

89. In all of these cases, Souther used this false threat of eviction in an effort to extract money from the homeowners.

90. This is apparently a “technique” taught through the Estates, and upon information and belief the “services” performed by Souther are supervised by Brooksby and are a “benefit” provided to Estates members.

91. In the Gustafson case, Souther went further. According to pleadings filed by Diana Coad, the trustee in Mr. Gustafson’s foreclosure, Ms. Souther convinced Mr. Gustafson’s ex-wife to deed her half interest in Gustafson’s \$250,000 home to Carissa, LLC, which is upon information and belief a Bidding LLC, for a \$10,000 payment.

92. Ms. Coad asserts that Ms. Souther (at a time when no Estates member had any interest in the Gustafson Home) falsely represented to Mr. Gustafson’s ex-wife that Souther was going to evict Mr. Gustafson and their children in three days unless she received a half interest in the property.

93. Mr. Gustafson’s ex-wife deeded her interest to Carissa LLC. A copy of Ms. Coad’s motion to set aside the foreclosure sale to the Bidding LLC, NC-Bidding-2 LLC, is attached as **Exhibit 10**.

CLASS ALLEGATIONS

94. Plaintiffs repeat and re-allege every allegation above as if fully set forth herein.

95. Plaintiffs seek certification of both a National Sherman Act Class and a North Carolina sub-class on behalf of themselves and others similarly situated, defined as follows:

a. The National Sherman Act Class: A class of all persons and entities whose properties were sold through foreclosure proceedings at which a Member of the Estates was the high bidder and at which the Estates placed the bid deposit on their behalf (the "Proposed Sherman Act Class").

b. The North Carolina Unjust Enrichment Sub-Class: A subclass of North Carolina Plaintiffs consisting of all persons and entities whose properties were sold through foreclosure proceedings in North Carolina at which a Member of the Estates was the high bidder and at which the Estates placed the bid deposit on their behalf who have standing to bring North Carolina state law claims. (the "Proposed North Carolina Subclass").

96. Excluded from the class are Defendants and their officers and employees and the judicial officer(s) presiding over this action as well as the members of their families and staffs.

97. Plaintiffs meet the prerequisites of Rule 23(a) to bring this action on behalf of the Classes because:

a. *Numerosity* – While information regarding the exact size of the Class or the identities of the Class members is in the exclusive control of

Defendants, through the Defendants' discovery responses (incomplete as they are), Plaintiffs have identified at least 137 class members. While the vast majority of the class members are located in North Carolina, the remainder are in South Carolina and Texas. Plaintiffs believe that there are potentially up to another 100 class members. Therefore, the Class is so numerous that joinder of all members is impracticable.

b. *Commonality* – Plaintiffs' claims are based on an agreement among the Defendants to engage in bid rigging, and all of the Plaintiffs have suffered loss because of that conspiracy, which is reflected in Defendants' records. Questions of law and fact are common to the Class and predominate over any questions affecting only individual members of the Class. These questions include, but are not limited to:

- i. Whether Defendants engaged in the bid-rigging scheme alleged in this Complaint;
- ii. The identity of the co-conspirators;
- iii. The duration of the conspiracy alleged in this Complaint;
- iv. The geographic scope of the conspiracy alleged in this Complaint;
- v. Whether the alleged conspiracy violated section 1 of the Sherman Act;

- vi. Whether the conspirators engaged in unfair or deceptive trade practices;
- vii. Whether the conspiracy was unjustly enriched by its acts; and
- viii. The appropriate injunctive relief.

c. *Typicality* – The claims of the named Plaintiffs are typical of the claims of the Class and do not conflict with the interests of any other members of the Class in that both the Plaintiffs and the other members of the Class were subject to the same conduct and suffered the same antitrust injuries.

d. *Adequacy* – The named Plaintiffs will fairly and adequately represent the interests of the Class. Plaintiffs are committed to the vigorous prosecution of the Class claims and have retained attorneys who are experienced and qualified to pursue this litigation.

98. A class action is superior to other methods for the fast and efficient adjudication of this controversy. A class action regarding the issues in this case does not create any problem of manageability.

99. This putative class action meets both the requirements of Fed. R. Civ. P. 23(b)(2) and Fed. R. Civ. P. 23(b)(3).

100. The Defendants have acted or refused to act on grounds that apply generally to the Class so that final injunctive relief or corresponding declaratory relief is appropriate respecting the Class as a whole.

101. The cartel unjustly profited from its anti-competitive practices by (1) charging fees in connection with transactions that the Bidding LLCs paid through to the Estates, and (2) through unjust profits made by the Equity Share LLCs.

102. Based on the potential size of the class, initial discovery, and Plaintiffs' own assessment of damages based on value of the properties lost and improper profits received, Plaintiffs believe that the amount in controversy exceeds \$5 million.

FIRST CLAIM FOR RELIEF
(Violation of Section 1 of the Sherman Act)

103. Plaintiffs incorporate all preceding paragraphs by reference.

104. Beginning at a time that is not yet known to Plaintiffs, but in any case, before the events described in this Complaint, Defendants entered into a continuing agreement, combination, and conspiracy to engage in bid rigging in connection with foreclosures in North Carolina.

105. Such agreement, combination, and conspiracy to engage in bid rigging constitutes a *per se* violation of 15 U.S.C. § 1 and is an unreasonable restraint of trade.

106. The Defendants' contract, combination, agreement, understanding, or concerted action occurred in or affected interstate commerce. Defendants employed the interstate banking system in order to place the bids. The Estates Database was hosted on the internet and information was sent across state lines. Defendants Estates UT and Estates RE are Utah limited liability companies that have engaged with the co-defendants in anticompetitive conduct in North Carolina. The Defendants' unlawful conduct was through mutual understandings, combinations, or agreements by, between and among the Defendants.

107. As a direct and proximate result of the Defendants' conspiracy, Plaintiffs lost their properties in improper "rigged" foreclosure sales.

108. All members of the Class have been injured by Defendants' conspiracy in an amount to be determined at trial.

SECOND CLAIM FOR RELIEF
(North Carolina Unfair and Deceptive Trade Practices)

109. Plaintiffs incorporate all preceding paragraphs by reference.

110. N.C. Gen. Stat. § 75-1 mirrors the language of the Sherman Act, and provides, "every contract, combination in the form of trust or otherwise, or conspiracy in restraint of trade or commerce in the State of North Carolina is hereby declared to be illegal."

111. N.C. Gen. Stat. § 75-16 provides that if *any person* shall be injured by reason of any act or thing done by any other person, firm, or corporation in violation of the provisions of this Chapter, such person so injured shall have a right of action.

112. Plaintiffs have been injured by Defendants' bid-rigging and therefore have standing to bring this claim.

113. All Defendants were engaged in a conspiracy scheme to promote bid-rigging.

114. All Defendants actions as described in this complaint constituted unfair and deceptive trade practices pursuant to N.C. Gen. Stat. § 75-1.1.

115. As a direct and proximate result of the Defendants bid rigging activities and unfair and deceptive trade practices, Plaintiffs and others similarly situated have been damaged in an amount to be proved at trial.

116. As a matter of law, Defendants are liable for treble damages pursuant to N.C. Gen. Stat. § 75-16.

THIRD CLAIM FOR RELIEF
(North Carolina Unjust Enrichment)

117. Plaintiffs incorporate all preceding paragraphs by reference.

118. By obtaining Plaintiffs' properties at foreclosure sales pursuant to their bid rigging conspiracy, Defendants received a benefit.

119. The benefit was not given by Plaintiffs to Defendants gratuitously.

120. Because of their illegal conduct, Defendants have received Plaintiffs' properties under circumstances under which they should not have equitably received them.

121. While the Court has dismissed the unjust enrichment claim as to the Estates Real Estate Group, the claim remains against the other Defendants (including the Brooksby Defendants who own the Estates Real Estate Group).

122. Defendants have been unjustly enriched by their improper conduct in an amount to be determined at trial.

INDIVIDUAL LIABILITY – DISREGARD BUSINESS ENTITY

123. Plaintiffs incorporate all preceding paragraphs by reference.

124. Upon information and belief, Brooksby deliberately designed the Estates Cartel to be excessively fragmented into a large number of individual LLCs, some of which are Bidding LLCs and some Equity-Share LLCs. By doing that, it becomes difficult to track individual foreclosures and to identify Estates transactions.

125. Brooksby treats all three of the Estates Entities (The Estates, LLC, the Estates (UT), LLC and Timbra of NC, LLC as interchangeable, with any one of them receiving the benefits or obligations of the others.

126. Brooksby described the excessively fragmented structure of the Estates as an “asset protection structure.” It protects assets through a shell game that moves them from one entity to another.

127. Upon information and belief, the Brooksby Defendants knew that this constant moving of resources to various entities risked leaving particular entities inadequately capitalized. *See* Brooksby Depo. 207:25-23, 209:04-15, 221:12-222:07.

128. Moreover, upon information and belief, the Brooksby Defendants secured for themselves an improper personal benefit by requiring that a Brooksby-associated entity become a member of any Equity Share LLC and that Brooksby control the management of any Bidding LLC, and by requiring that the real estate broker hired in any transaction be owned by Brooksby.

129. The Brooksby Defendants completely dominate the Estates Cartel, not merely its finances but its policies and business practices such that the Estates Cartel has no separate mind, will or existence of its own.

130. The Brooksby Defendants’ control is essential for the bid-rigging scheme to have worked, and for the Estates to perpetrate the other wrongs it routinely commits.

131. As a result, the Brooksby Defendants are, individually and collectively, liable for the damages caused by the Estates Cartel’s bid rigging, unjust enrichment, and unfair and deceptive trade practices.

132. The Estates Cartel's actions as alleged in the Complaint caused the injuries to Plaintiffs alleged herein. Upon information and belief, the Brooksby Defendants' conduct has resulted in the siphoning off of the Estates Cartel's assets for their own benefit.

133. Therefore, the LLC form of the Estates Entities, the Bidding LLCs and the Equity-Share LLCs should be disregarded to permit the Plaintiffs to reach the assets, property, or proceeds distributed between them and to the Brooksby Defendants.

RELIEF SOUGHT

WHEREFORE, Plaintiffs respectfully request that this Court:

1. Determine that the contract, combination, or conspiracy and the acts done in furtherance of it are in violation of the Sherman Act, 15 U.S.C. § 1 and Chapter 75 of the North Carolina General Statutes;
2. Pursuant to 15 U.S.C. § 26, preliminarily and permanently enjoin Defendants and their co-conspirators, including their directors, officers, employees, agents, and all other persons acting or claiming to act on their behalf, from selling any property purchased at a foreclosure sale in North Carolina, from bidding at any foreclosure sale in North Carolina, and from engaging in any other contract, combination, or conspiracy having a similar purpose or effect;

3. Determine that this action is a proper class action, certifying Plaintiffs as class representatives under Rule 23 of the Federal Rules of Civil Procedure and designating this Complaint as the operable complaint for class purposes;

4. Award Plaintiffs and the class damages pursuant to 15 U.S.C. § 15 and interest as required by law;

5. Award Plaintiffs and the class compensatory damages;

6. Award Plaintiffs and the class treble damages under the Sherman Act and Chapter 75 of the North Carolina General Statutes;

7. Award Plaintiffs and the class the cost of this suit and their reasonable attorneys' fees; and

8. Grant to Plaintiffs and the class such other and further relief as the Court may deem just and proper.

**PLAINTIFFS DEMAND A JURY TRIAL ON
ALL ISSUES SO TRIABLE.**

Dated: December 10, 2020

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/s/ James C. White

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*Attorneys for Plaintiffs Maricol Yunaira
Tineo De Leon and Jairo Vensrique Leon
Da Costa*

CERTIFICATE OF SERVICE

I hereby certify that the foregoing **AMENDED COMPLAINT** has been served electronically via CM ECF on the following:

John David Matheny, II
516 D River Highway
Ste 198
Moorseville, Nc 28117
984-269-3829
mathenylawpllc@gmail.com

Attorney for Defendants

Dated: December 10, 2020

/s/ James C. White
James C. White

The Estates Cartel

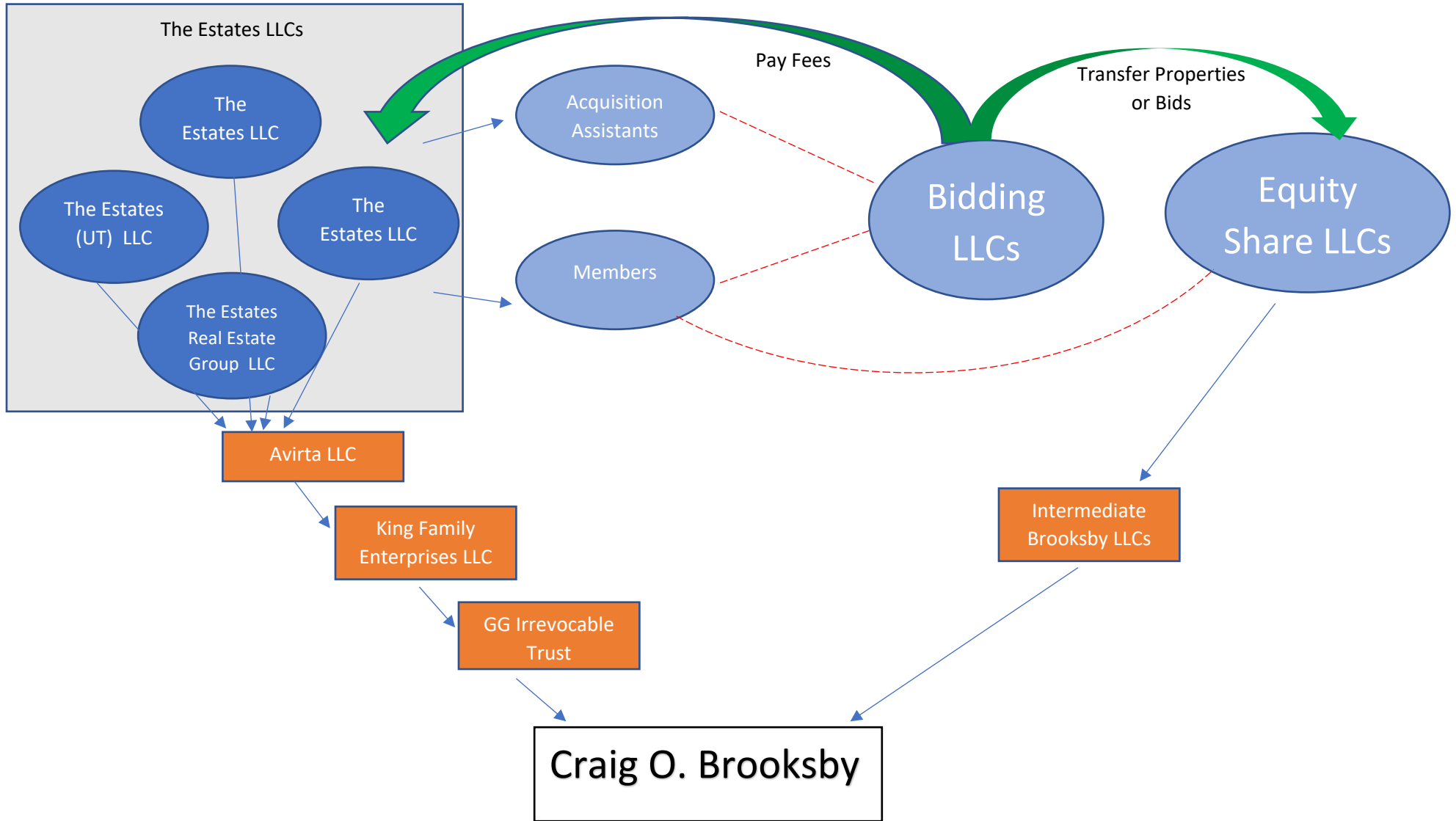


Exhibit 2

The Estates Defendants

1. The Estates Entities: The Estates Entities are three companies that have filled similar roles over time.

a. Defendant The Estates LLC (“Estates NC”) is a North Carolina Limited Liability Company with its principal office located in Cary, North Carolina.

b. Defendant The Estates (UT), LLC (“Estates UT”) is a Utah Limited Liability Company which does business as The Estates, LLC in Utah, and is registered in North Carolina as a foreign Limited Liability Company with its principal office located in Cary, North Carolina.

c. Defendant Timbra of North Carolina, LLC (“Timbra”) is a North Carolina Limited Liability Company with its principal office located in Cary, North Carolina.

d. All three of the Estates Defendants are 100% owned by Avirta, a Brooksby Defendant.

2. The Estates Real Estate Group. The Estates Real Estate Group is an entity through which Brooksby engages in self-dealing by receiving commissions as the suggested real estate broker for Estates transactions.

- a. Defendant The Estates Real Estate Group LLC (“Estates RE Group”) is a North Carolina limited liability company with its principal office in Greensboro, North Carolina.
 - b. The Estates RE Group is 100% owned by Avirta, a Brooksby Defendant.
3. The Acquisition Assistants and Key Individuals.
- a. Upon information and belief, Defendant Tonya Newell (“Newell”) is a citizen and resident of Davidson County, North Carolina. Upon information and belief, Newell served as what the Estates Defendants call an “Acquisition Assistant”
 - b. Upon information and belief, Defendant Lynn Pinder (“Pinder”) is a citizen and resident of Mecklenberg County, North Carolina. Upon information and belief, Newell served as what the Estates Defendants call an “Acquisition Assistant”
 - c. Upon information and belief, Defendant Carolyn Souther (“Souther”) is a citizen and resident of Union County, North Carolina. Upon information and belief, Carolyn Souther is a principal agent of the Estates, serving in a similar role to an Acquisition Assistant in managing Bidding LLCs.
 - d. Defendant La Rochelle LLC (“La Rochelle”) is a North Carolina limited liability company. La Rochelle is 100% owned by Avirta, a

Brooksby LLC. La Rochelle would receive funds from Estates members and Bidding LLCs that would be used to place bids on behalf of members at foreclosure.



Deposition of:
Craig Orson Brooksby

September 8, 2020

In the Matter of:

**Williams, Brian C. Vs. The Estates
LLC, Et Al**

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1 choices, and those choices -- and then there is data
2 there that gives them the ability.

3 So you are talking 50 to 58 people who
4 bought in the system of which only 17 of those bought
5 one home, which is 33 percent of the 50, and then
6 seven bought two homes, and seven bought three homes.
7 So -- and the limitation of money is extensive. So
8 you have -- there are deals in the system that are
9 coming to the clients constantly that they can choose
10 from, and there is just a plethora of them, and there
11 is -- there is not even remotely the money or the
12 buyers to get them.

13 Q. Well, but what is the value added they are
14 getting? I mean, they get -- okay. I see that they
15 get a database that's compiled information, but what
16 else do they get by buying properties through The
17 Estates instead of just buying properties that they
18 find at the clerk's office and look up the information
19 online?

20 A. They get -- the database provides -- as I
21 said before, it creates -- it brings in data from all
22 over the place, and that data is assembled into a
23 record. So they can get -- and it's -- it's --
24 sometimes it's partial data. So you may get -- you
25 may scrape data from one site or record that shows

1 looked at this property; is that right?

2 A. Yes.

3 Q. All right. So looking at the buttons across
4 the top, why don't we walk through them. What's the
5 "dashboard" button?

6 A. The dashboard takes them to a place where
7 they can see the properties that have been sent to
8 them and the properties that they're currently working
9 on, basically.

10 Q. Why would properties be sent --

11 A. They don't have -- they don't have unlimited
12 access to the website. They don't have search
13 capabilities. So they can't go in and click "search"
14 and go find a property in the system. The properties
15 are sent to them. So if they are signed up to all of
16 North Carolina, as an example, then any property that
17 comes through any one of the 100 counties would be
18 sent to them, and it would be sent to them, and then
19 they would see it in their dashboard.

20 But once again, there is many properties. I
21 mean, if you look at someone's dashboard, all the
22 properties that are sent to them can be thousands of
23 properties.

24 Q. Okay. So they have no way of searching the
25 database to identify properties. Can they filter it?

1 back-end team?

2 A. They -- when you say "multiple people," you
3 could have -- once again, there were not many clients.
4 So normally someone who hit "buy it," there wouldn't
5 be multiple people on the same property because there
6 is just too many properties in the system that one
7 could buy. And not everyone buys in the same area.
8 So someone could be buying in New Hanover, and someone
9 else could be buying in Charlotte or in Cumberland
10 County.

11 So we had a small amount of buyers with a
12 large amount of data. So normally you would hit a
13 "buy it," but there wouldn't be another "buy it" on
14 the same property. There could be, but it's -- it
15 would be rare back in those days, even clear to today.
16 So there is -- as far as a position, from 2015 to '17,
17 no one saw any position of anyone else.

18 Q. All right. So what would happen when two
19 people clicked "buy it"?

20 A. It would go to the acquisition assistant,
21 and the acquisition assistant would have -- when they
22 filled out the buy-it button, it would say how much
23 they were willing to buy the property for. It would
24 say -- it would say, here is your comp value, and here
25 is -- it would ask how much are you willing to bid,

1 and it would say we are going to bid this amount. So
2 the acquisition assistant would know how much that
3 individual was willing to bid to buy that property,
4 and so she may be able to see, okay, Susie was willing
5 to pay 102,000, where Johnny was willing to pay
6 110,000. So she would see it, but they would not see
7 that.

8 Q. Okay. What would she do with that
9 information?

10 A. She would -- she would bid for the
11 individuals according to what their number was.

12 Q. So would she in that case place two bids?

13 A. Once again, that happened rarely. But --
14 and people would hit -- let me clarify something.
15 People would hit "buy it" constantly, all the time,
16 and then not follow through. So you could have
17 someone who would hit a "buy it" and -- it was common
18 for people to come into the system, especially when
19 they were new, and just go "buy it" crazy. They would
20 hit "buy it" on everything. And so there was a --
21 you kind of had to get down to the bottom of who was
22 really serious about it and who even had the money to
23 buy what they were buying. But if you -- so that's
24 kind of how they would do it, is sort through it. But
25 at the end of the day, that's what they were able to

1 do, is say, okay, I want to buy on this property.

2 So another thing that happened is oftentimes
3 someone would hit a "buy it" and then they wouldn't
4 have enough money or they couldn't do the deal. So a
5 lot of times you were sorting through people that
6 really were serious about taking the property down.
7 So I think they did more of that than anything.

8 Q. Could more than one person bid on the
9 property at foreclosure?

10 A. Yes, definitely. In the user license
11 agreement, it specifically states that -- and the
12 attorney and I drafted this very specifically -- that
13 anyone can go and bid on a property. It was never
14 limited by people. So anyone could bid on a property.
15 They could go around the acquisition assistant and go
16 to the county themselves and bid at the county. So
17 the user license agreement is specific on that.

18 Q. So at your meet-ups would you communicate to
19 people that anyone could go around your acquisition
20 assistants and bid whenever they choose?

21 A. We -- we preferred that they all went
22 through the acquisition assistant because it kept an
23 order as far as people who go to the county and bid on
24 their own can make all kinds of mistakes, and so it's
25 better if it was done in a way that they understood

1 occasions of acquisition assistants placing bids for
2 two different clients on the same property. Are you
3 aware of any other occasions when that happened?

4 A. Once again, your question is leading me to
5 an answer that I'm not going to give. At the end of
6 the day, the information was given -- the buy-it
7 requests go to the acquisition assistant, and whatever
8 they do after that, I don't have a knowledge of what
9 they do after that point.

10 Q. Okay. You said my question is leading you
11 to an answer that you are not going to give. Is it an
12 answer that -- are you saying that you have no idea
13 that -- well, let me ask you this question. Let me
14 ask you this question.

15 A. Your question is leading. In other words,
16 you are trying to get me to say something the way you
17 want me to say it, and I am not going to do that. I'm
18 going to answer it the way it's supposed to be said.
19 So if you ask a specific question, I'll give you a
20 specific answer. So if you want to do that, that will
21 be great.

22 Q. Okay. Can you recall from your recollection
23 any occasion on which -- in which an acquisition
24 assistant placed a bid on behalf of two clients? Yes
25 or no.

1 A. I'm not sure.

2 Q. Okay.

3 A. Let me -- let me clarify that even more. As
4 an example, if you go back to Chris Werness, who was a
5 buyer in the system, he bought a large quantity of
6 properties. He purchased properties that were in
7 areas that others rarely bought in. So he had like 19
8 properties I think that I saw on a spreadsheet where
9 there was not even another buy-it request except for
10 one case where he had partners on his deals. So he
11 bought in Cumberland County, as a general rule, and he
12 drove all over the state. So he bought in areas where
13 other people were not at.

14 So it's -- you're talking -- once again, you
15 have -- you have basically 50 clients, plus or minus.
16 You have 30 percent of those who bought one property,
17 seven who bought two properties, and seven that bought
18 three properties. And so you didn't have a situation
19 very often, from the numbers I'm seeing, where there
20 was even two parties that were going to buy the same
21 property at the same time. There were properties in
22 the system that you would have someone hit a "buy it"
23 back in 2017, and so they would have a buy-it request
24 on that property. And then they would quit the
25 system, and then that property would come up again,

1 A. It's an account -- it's a -- it's a company
2 that's used to hold bid funds for people that want to
3 bid.

4 Q. Who owns the company?

5 A. It's probably -- or it's set up under the
6 asset protection structure. So it's, I'm sure, held
7 by Avirta, and then it has signers. But I don't
8 remember -- I think Tonya has to be a manager or a
9 member in order to have access to the account. I
10 would have to go look to see the way it's set up.

11 Q. Okay. What is Avirta?

12 A. Avirta is a company that is a member of many
13 of the LLCs.

14 Q. Including the company that -- in fact, it's
15 the sole member of the company that receives the money
16 that's paid to acquisition assistants?

17 A. Normally it is. I would have to look back
18 and see each one to see.

19 Q. Who are the members of Avirta?

20 A. It's got -- I can't remember the name of the
21 LLC, but there is a member that holds Avirta, and then
22 there is a family limited partnership that holds it.

23 Q. Okay. So there is an LLC that -- whose name
24 you are not sure of. Is it a Utah LLC?

25 A. I can't remember which ones are Utah and

1 All right. Let me go down to -- hold
2 on. Let me take you to -- it's Bates numbered 281,
3 page 11 of the document. And there is a section
4 called "Bidding LLC." What's a bidding LLC?

5 A. A bidding LLC is an LLC that's set up with
6 the specific intent to bid on properties by the
7 different individual clients.

8 Q. Okay. And as of September 1, 2018, each
9 individual user was required to use a bidding LLC to
10 bid?

11 A. Yeah, that's correct.

12 Q. All right. And then --

13 A. And I think that's -- the only reason I say
14 that's correct, because I'm not -- I don't want to be
15 like where you come back and say it was a date
16 different than that. I'm assuming because we said
17 September 1, 2018, that that's probably when we put
18 that in place. But we had found that there was a lot
19 of problems with everyone bidding out of the same LLC,
20 and so we told everyone they had to use their own LLC
21 to bid.

22 Q. What do you mean everyone bidding out of the
23 same LLC?

24 A. Well, like, if -- if -- I said that even
25 wrong. Basically, there were different bidding LLCs

1 STATE OF NORTH CAROLINA) CERTIFICATE
) OF
2 COUNTY OF IREDELL) TRANSCRIPT
3

4 According to the emergency video
5 notarization requirements contained in NCGS 10B-25, I,
6 Elizabeth Ellsworth, RPR, and Notary Public, in and
7 for North Carolina, do hereby certify that the
8 identity of Craig Orson Brooksby was confirmed by me
9 over videoconference, that the witness was located in
10 Johnson County, that the witness was remotely sworn by
11 me prior to the taking of the foregoing deposition,
12 that the foregoing pages are an accurate transcript of
13 the deposition to the best of my ability.

14 I further certify that I am not financially
15 interested in the outcome of this action, a relative,
16 employee, attorney or counsel of any of the parties,
17 nor am I a relative or employee of such attorney or
18 counsel.

19 This 18th day of September 2020.
20

21 
22

23 _____
24 ELIZABETH ELLSWORTH, RPR

25 NOTARY PUBLIC NO. 201307800319

Exhibit 4

The Brooksby Defendants

1. Upon information and belief Defendant Craig Orson Brooksby (“Brooksby”) is a citizen and resident of Wake County, North Carolina.
2. Brooksby, either individually or through other entities, owns or controls many of the entities that are part of the Estates Cartel.
3. Upon information and belief Avirta, LLC (“Avirta”) is a Utah limited liability company. King Family Enterprises, LLC is the sole member of Avirta.
4. Upon information and belief, Avirta is an “asset protection LLC” through which Brooksby owns several of the components of the Estates Cartel.
5. King Family Enterprises, LLC, in turn, is a Utah limited liability company
6. The GG Irrevocable Trust is, upon information and belief, a North Carolina irrevocable trust.
7. Upon information and belief, Brooksby and his wife are beneficiaries of the GG Irrevocable Trust.

Exhibit 5

The Bidding LLC Defendants

1. Defendant Adken LLC is a Utah Limited Liability Company with its principal office located in Mapleton, UT.
2. Defendant Benderwood LLC is a Utah Limited Liability Company with its principal office located in Provo, UT.
3. Defendant Blue Rock Homes LLC is a North Carolina Limited Liability Company with its principal office located in Greensboro, NC.
4. Defendant Bluebottle LLC is a Texas Limited Liability Company with its principal office located in Richmond, TX.
5. Defendant Butan LLC is a Utah Limited Liability Company with its principal office located in Utah.
6. Defendant Cannon Fire, LLC is a Texas Limited Liability Company with its principal office located in Texas.
7. Defendant Carliano LLC is a Utah Limited Liability Company with its principal office located in Utah.
8. Defendant Castleton LLC is a Utah Limited Liability Company with its principal office located in Utah.
9. Defendant Chazag LLC is a Texas Limited Liability Company with its principal office located in Texas.

10. Defendant Cherness, LLC is a North Carolina Limited Liability Company with its principal office located in North Carolina.

11. Defendant Chinsia LLC is a Utah Limited Liability Company with its principal office located in Utah.

12. Defendant Chriswern LLC is a North Carolina Limited Liability Company with its principal office located in North Carolina.

13. Defendant Creer, LLC is a North Carolina Limited Liability Company with its principal office located in North Carolina.

14. Defendant Cwbridge LLC is a Utah Limited Liability Company with its principal office located in Utah.

15. Defendant Cwcastlewood, LLC is a North Carolina Limited Liability Company with its principal office located in North Carolina.

16. Defendant CWDante LLC is a Utah Limited Liability Company with its principal office located in Utah.

17. Defendant Darafin LLC is a Utah Limited Liability Company with its principal office located in Utah.

18. Defendant Dextron LLC is a Utah Limited Liability Company with its principal office located in Utah.

19. Defendant Double D Enterprises of Durham, LLC is a North Carolina Limited Liability Company with its principal office located in North Carolina.

20. Defendant Drakeshire LLC is a Utah Limited Liability Company with its principal office located in Utah.

21. Defendant Dunkirk LLC is a Utah Limited Liability Company with its principal office located in Utah.

22. Defendant Dunsmure LLC is a Utah Limited Liability Company with its principal office located in Utah.

23. Defendant Eden Services LLC is a North Carolina Limited Liability Company with its principal office located in North Carolina.

24. Defendant El Property Holdings, LLC is a North Carolina Limited Liability Company with its principal office located in North Carolina.

25. Defendant Embarcadero LLC is a Utah Limited Liability Company with its principal office located in Utah.

26. Defendant Erness LLC (delinquent) is a Utah Limited Liability Company with its principal office located in Unknown.

27. Defendant Estan LLC is a Utah Limited Liability Company with its principal office located in Utah.

28. Defendant Fontanay LLC is a Utah Limited Liability Company with its principal office located in Utah.

29. Defendant Forbes LLC is a Utah Limited Liability Company with its principal office located in Utah.

30. Defendant Gavos LLC is a Utah Limited Liability Company with its principal office located in Utah.

31. Defendant Gideer LLC is a Utah Limited Liability Company with its principal office located in Utah.

32. Defendant Halliard LLC is a Utah Limited Liability Company with its principal office located in Mapleton UT.

33. Defendant Hantell LLC is a Utah Limited Liability Company with its principal office located in Utah.

34. Defendant Hevea LLC is a Utah Limited Liability Company with its principal office located in Mapleton UT.

35. Defendant Hisham LLC is a North Carolina Limited Liability Company with its principal office located in Cary, NC.

36. Defendant House Hunter Investing LLC is a North Carolina Limited Liability Company with its principal office located in North Carolina.

37. Defendant Imeon LLC is a Utah Limited Liability Company with its principal office located in Mapleton UT.

38. Defendant Indell LLC is a Utah Limited Liability Company with its principal office located in Utah.

39. Defendant Inure LLC is a Utah Limited Liability Company with its principal office located in Mapleton UT.

40. Defendant Italy LLC is a Utah Limited Liability Company with its principal office located in Indian Land, SC.

41. Defendant JANSS LLC is a North Carolina Limited Liability Company with its principal office located in Concord, NC.

42. Defendant Jaunt LLC is a Utah Limited Liability Company with its principal office located in Utah.

43. Defendant Jon LLC - Knottinghill Series is a Texas Limited Liability Company with its principal office located in Texas.

44. Defendant Julius Hill Properties LLC is a North Carolina Limited Liability Company with its principal office located in Raleigh.

45. Defendant Karuna LLC is a Utah Limited Liability Company with its principal office located in Provo UT.

46. Defendant Kelson LLC is a Utah Limited Liability Company with its principal office located in Provo UT.

47. Defendant Kintel LLC is a Utah Limited Liability Company with its principal office located in Mapleton UT.

48. Defendant Maldives, LLC is a North Carolina Limited Liability Company with its principal office located in Garner NC.

49. Defendant Mantica LLC is a Utah Limited Liability Company with its principal office located in Mapleton UT.

50. Defendant Miwok LLC is a Utah Limited Liability Company with its principal office located in Mapleton UT.

51. Defendant Moon Holdings, LLC is a North Carolina Limited Liability Company with its principal office located in Lindon UT.

52. Defendant Moshon LLC is a Utah Limited Liability Company with its principal office located in Mapleston UT.

53. Defendant NC Alamance RE Asset I LLC is a North Carolina Limited Liability Company with its principal office located in Las Vegas, NV.

54. Defendant NC Bidding-2, LLC is a North Carolina Limited Liability Company with its principal office located in North Carolina.

55. Defendant Nidge Brook, LLC is a North Carolina Limited Liability Company with its principal office located in Charlotte, NC.

56. Defendant Nosora LLC is a Utah Limited Liability Company with its principal office located in Utah.

57. Defendant Nuall LLC is a Utah Limited Liability Company with its principal office located in Mapleton UT.

58. Defendant Nunmont LLC is a Utah Limited Liability Company with its principal office located in Mapleton UT.

59. Defendant Obiva LLC is a Utah Limited Liability Company with its principal office located in Utah.

60. Defendant Opaz LLC is a Utah Limited Liability Company with its principal office located in Provo UT.

61. Defendant Oradea LLC is a Utah Limited Liability Company with its principal office located in Mapleton UT.

62. Defendant Ostia LLC is a Utah Limited Liability Company with its principal office located in Utah.

63. Defendant Paracose LLC is a North Carolina Limited Liability Company with its principal office located in North Carolina.

64. Defendant Pasture Holdings, LLC is a North Carolina Limited Liability Company with its principal office located in North Carolina.

65. Defendant Perissuo Partners, LLC is a North Carolina Limited Liability Company with its principal office located in Richmond, TX.

66. Defendant Peroga LLC is a Utah Limited Liability Company with its principal office located in Mapleton UT.

67. Defendant Portlick Drive, LLC (TX) is a Texas Limited Liability Company with its principal office located in Richmond, TX.

68. Defendant Proprio LLC is a Utah Limited Liability Company with its principal office located in Utah.

69. Defendant Qui LLC is a Utah Limited Liability Company with its principal office located in Mapleton UT.

70. Defendant Quinton LLC is a Utah Limited Liability Company with its principal office located in Mapleton UT.

71. Defendant Quovia LLC is a Utah Limited Liability Company with its principal office located in Utah.

72. Defendant RE Results, LLC is a North Carolina Limited Liability Company with its principal office located in Garner NC.

73. Defendant Royanah LLC is a North Carolina Limited Liability Company with its principal office located in Provo UT.

74. Defendant Sanora LLC is a Utah Limited Liability Company with its principal office located in Mapleton UT.

75. Defendant Shillington LLC is a Texas Limited Liability Company with its principal office located in Texas.

76. Defendant Sular LLC is a Utah Limited Liability Company with its principal office located in Mapleton UT.

77. Defendant Tesias LLC is a Utah Limited Liability Company with its principal office located in Mapleton UT.

78. Defendant Ticoty Series LLC is a Texas Limited Liability Company with its principal office located in Cypress, TX.

79. Defendant Tilden LLC is a Utah Limited Liability Company with its principal office located in Mapleton UT.

80. Defendant Tree Holdings, LLC is a North Carolina Limited Liability Company with its principal office located in Concord, NC.

81. Defendant Valensen LLC(UT) is a Utah Limited Liability Company with its principal office located in Cary NC.

82. Defendant Versa Properties, LLC is a North Carolina Limited Liability Company with its principal office located in North Carolina.

83. Defendant Wadestone, LLC (UT) is a Utah Limited Liability Company with its principal office located in Mapleton UT.

84. Defendant Westbrook Holdings, LLC is a North Carolina Limited Liability Company with its principal office located in North Carolina.

85. Defendant Winsome LLC is a Utah Limited Liability Company with its principal office located in Utah.

86. Defendant Wolcott Park LLC is a Texas Limited Liability Company with its principal office located in Texas.

87. Defendant Yangtze LLC is a Utah Limited Liability Company with its principal office located in Mapleton UT.

88. Defendant Yeoman LLC is a Utah Limited Liability Company with its principal office located in Mapleton UT.

89. Defendant Yukon LLC is a Utah Limited Liability Company with its principal office located in Utah.

90. Defendant Zapa LLC is a Utah Limited Liability Company with its principal office located in Mapleton UT.

Exhibit 6

The Equity Share Defendants

1. Defendant 2 and 5 Fish, LLC is a North Carolina Limited Liability Company with its principal office located in Concord, NC.
2. Defendant Alosa Realty, LLC is a North Carolina Limited Liability Company with its principal office located in Charlotte, NC.
3. Defendant Bannister Rock, LLC is a North Carolina Limited Liability Company with its principal office located in Concord, NC.
4. Defendant Bermuda Holdings LLC is a North Carolina Limited Liability Company with its principal office located in Cary, NC.
5. Defendant Carill, LLC is a North Carolina Limited Liability Company with its principal office located in Charlotte, NC.
6. Defendant Castednet LLC is a North Carolina Limited Liability Company with its principal office located in North Carolina.
7. Defendant Cedar House Properties, LLC is a North Carolina Limited Liability Company with its principal office located in North Carolina.
8. Defendant Chadash Realty Group, LLC is a North Carolina Limited Liability Company with its principal office located in Richmond, NC.
9. Defendant Chandler Property Holdings, LLC is a North Carolina Limited Liability Company with its principal office located in Cary, NC.

10. Defendant Chantry Holdings, LLC is a North Carolina Limited Liability Company with its principal office located in Concord, NC.

11. Defendant Clock Academy LLC is a North Carolina Limited Liability Company with its principal office located in Raleigh, NC.

12. Defendant Cwcastlewood, LLC is a North Carolina Limited Liability Company with its principal office located in Cary, NC.

13. Defendant Double D Enterprises of Durham, LLC is a North Carolina Limited Liability Company with its principal office located in Durham, NC.

14. Defendant Evergreen Property Holdings, LLC is a North Carolina Limited Liability Company with its principal office located in Cary, NC.

15. Defendant Field View, LLC is a North Carolina Limited Liability Company with its principal office located in Midland, NC.

16. Defendant Grandapple, LLC is a North Carolina Limited Liability Company with its principal office located in North Carolina.

17. Defendant GSBorealis, LLC is a North Carolina Limited Liability Company with its principal office located in Midland, NC.

18. Defendant Heart Aspen Properties, LLC is a North Carolina Limited Liability Company with its principal office located in Greensboro, NC.

19. Defendant Hunter Fe, LLC is a North Carolina Limited Liability Company with its principal office located in Fort Mill, SC.

20. Defendant Juras LLC is a North Carolina Limited Liability Company with its principal office located in Raleigh, NC.

21. Defendant Juros LLC is a North Carolina Limited Liability Company with its principal office located in North Carolina.

22. Defendant Keziah Holdings, LLC is a North Carolina Limited Liability Company with its principal office located in Midland, NC.

23. Defendant Land Development and Acquisition LLC is a North Carolina Limited Liability Company with its principal office located in Raleigh, NC.

24. Defendant Mill Properties LLC is a North Carolina Limited Liability Company with its principal office located in Raleigh, NC.

25. Defendant Newfort LLC(UT) is a North Carolina Limited Liability Company with its principal office located in Raleigh, NC.

26. Defendant NLTSuccess LLC is a North Carolina Limited Liability Company with its principal office located in Charlotte NC.

27. Defendant Rapha, LLC is a North Carolina Limited Liability Company with its principal office located in North Carolina.

28. Defendant Red Tree Holdings, LLC is a North Carolina Limited Liability Company with its principal office located in Garner NC.

29. Defendant RP Assets LLC is a North Carolina Limited Liability Company with its principal office located in Denton, NC.

30. Defendant Rucksack Holdings, LLC is a North Carolina Limited Liability Company with its principal office located in Concord, NC.

31. Defendant Safire LLC is a North Carolina Limited Liability Company with its principal office located in Fletcher, NC.

32. Defendant Sorghum, LLC is a North Carolina Limited Liability Company with its principal office located in Concord, NC.

33. Defendant Sunspring LLC is a North Carolina Limited Liability Company with its principal office located in Asheville, NC.

34. Defendant Thunderbird Properties of North Carolina LLC is a North Carolina Limited Liability Company with its principal office located in Durham, NC.

35. Defendant Timber Refuge is a North Carolina Limited Liability Company with its principal office located in Cary, NC.

36. Defendant Wehab Homes, LLC (NV) is a North Carolina Limited Liability Company with its principal office located in Raleigh, NC.

37. Defendant is a Limited Liability Company with its principal office located in .

38. Defendant Happy Dogs One Trust LLC is a NC TRUST Limited Liability Company with its principal office located in Cary, NC.

39. Defendant Acronolis LLC is a Utah Limited Liability Company with its principal office located in Mapleton UT.

40. Defendant Crater LLC is a Utah Limited Liability Company with its principal office located in Mapleton UT.

41. Defendant CWdante LLC is a Utah Limited Liability Company with its principal office located in Mapleton UT.

42. Defendant CWFortress LLC is a Utah Limited Liability Company with its principal office located in Mapleton UT.

43. Defendant Dolorock LLC is a Utah Limited Liability Company with its principal office located in Mapleton UT.

44. Defendant Italy LLC is a Utah Limited Liability Company with its principal office located in Indian Land, SC.

45. Defendant Konradd LLC (Delinquent) is a Utah Limited Liability Company with its principal office located in Mapleton UT.

46. Defendant Messina LLC is a Utah Limited Liability Company with its principal office located in Utah.

47. Defendant Pinemore LLC is a Utah Limited Liability Company with its principal office located in Mapleton UT.

48. Defendant Shalyn LLC is a Utah Limited Liability Company with its principal office located in Concord, NC.

49. Defendant Studio Ave LLC is a Utah Limited Liability Company with its principal office located in Orem UT.

50. Defendant Thistle LLC is a Utah Limited Liability Company with its principal office located in Jacksonville, NC.

51. Defendant Wendell LLC is a Utah Limited Liability Company with its principal office located in Mapleton UT.

Terms of Use

ATTENTION/WARNING: THESE TRANSACTIONS INVOLVE RISK. YOU MAY LOSE in SOME OR ALL OF YOUR CAPITAL. The services offered may not be suitable for you. You must do your own due diligence and verify any information provided. We encourage you to seek advice from an independent financial advisor, real appraiser, real estate professional, accountant, tax advisor and/or attorney. Unless otherwise stated, the figures shown in all documents provided (including, but not limited to, information regarding title, ownership, liens, tax liens, taxes, current property values, after repair property values, and costs of repairs or renovations) are **NOT** guaranteed to be accurate and are estimates only. Some estimates are high; some are low. There are **NO** representations being made that any transaction will achieve profits similar to those being shown or illustrated. There are **NO GUARANTEES OF RESULTS OR PROFITS. DO NOT ENTER INTO THESE TRANSACTIONS UNLESS YOU ARE PREPARED TO LOSE SOME OR ALL OF YOUR CAPITAL.**

Timbra, LLC Buyer Licensing Agreement

Welcome to Timbra, LLC! Timbra, LLC provides access to The Estates, LLC website through a contractual agreement by and between Timbra, LLC and The Estates, LLC. Use of this site is subject to the terms and conditions contained in Timbra, LLC Wholesale Buyer Licensing Agreement (the "WBLA") set forth below. In continuing to access or use our site, you agree to be bound by those terms and conditions within the WBLA applicable to your use. Your contract is with Timbra, LLC for use of this system.

By using this website and system, you are agreeing to be bound by this Agreement.

Consent to Electronic Records and Signature The WBSA, other written or electronic agreements, and our Web site include important disclosures and information that are associated with Timbra, LLC Services. From time to time, Timbra, LLC may ask you to review other important disclosures or agreements related to the services provided. You understand and intend that the WBLA is a legally binding agreement and the equivalent of a signed, written contract;

You will use all Timbra, LLC Services, and our Web sites generally, in a manner consistent with applicable laws and regulations and in accordance with the terms and conditions of the WBLA and any other applicable rules, guidelines or other conditions that govern the use of a particular Timbra, LLC Service as they may be amended by Timbra, LLC from time to time; and You understand, accept, and have received the WBLA and its terms and

conditions, and acknowledge and demonstrate that you can access the WBLA and other Records and Disclosures on our Website. If you do not agree with the terms and conditions in the WBLA please terminate your subscription. You should be aware, however, that the use of any Timbra, LLC Service, including our Website, is subject to the terms and conditions of the WBLA. This Agreement will always be available for your review via a link at the bottom of www.estatestracking.com home page. Please carefully review the following terms and conditions.

SCOPE OF THE WBLA

Timbra, LLC ("Timbra, LLC," "we" or "us") operates www.estatestracking.com, either alone or in conjunction with its affiliates, agents and partners. Timbra, LLC Wholesale Buyers License Agreement ("WBLA " or "Agreement") applies to Timbra, LLC's web sites and electronic content, services and tools. This includes online tools, and other services or forums like Trainings and Meet Ups, as well as any features or content we may add in the future. We refer to all of the above as "Timbra, LLC Services." This Agreement applies to all Timbra, LLC Services regardless of the means by which you access such Timbra, LLC Services. Timbra, LLC Services may be offered on www.TheEstates.com domain as well as on other Internet domains operated by our agents or alliance partners. In addition, Timbra, LLC Services may be available through other computer, Educational meetups, telephonic, e-mail or wireless services or systems. We may also ask you to follow additional rules, guidelines or other conditions that govern the use of a particular Timbra, LLC Service ("Rules and Guidelines") at the time you register for or use that Timbra, LLC Service. The WBLA incorporates by reference the Rules and Guidelines of any Timbra, LLC Service for which you register.

REVISIONS AND RELATION TO OTHER AGREEMENTS OR DISCLOSURES

Timbra, LLC may revise the WBLA at any time and you agree to be bound by future revisions. It is your responsibility to visit the link at the bottom of Timbra, LLC.com home page periodically to review the most current terms and conditions. Timbra, LLC may also offer other services from time to time that are governed by different or additional terms and conditions. Timbra, LLC Services are subject to any disclosures or disclaimers found within Timbra, LLC Services.

REGISTRATION INFORMATION, PRIVACY, AND PERSONALIZATION

When you register for a Timbra, LLC Service, we may ask you to give us certain identifying information ("Registration"). You agree to provide true, accurate, current and complete information about yourself. You also agree not to impersonate any person or entity, misrepresent any affiliation with another person, entity or association, use false headers or otherwise conceal your identity from Timbra, LLC for any purpose. For your protection

and the protection of our other customers and Website users, do not to share your Registration information (including passwords, Usernames, and screen names) with any other person for the purpose of facilitating their access and unauthorized use of Timbra, LLC Services. If you do share this information with anyone we'll consider their activities to have been authorized by you. Any loss occasioned by someone or some entity that uses the system through your account without an agreement with Timbra, LLC will be considered a breach of this agreement and you will be responsible for any damages occasioned by that breach. You alone are responsible for all transactions initiated, messages posted, statements made, or acts or omissions that occur within any Timbra, LLC Service through the use of your Registration information.

Some damages occasioned by this misuse or permission given by you to a third party may be difficult to calculate. As such, where a third party utilizes your information and it in turn causes damage to Timbra, LLC, any and all profits that belong to you via your use of the system and purchases will be disgorged to Timbra, LLC as damages.

UNAUTHORIZED USE OF YOUR REGISTRATION

If you believe that someone has used your Registration information to access any Timbra, LLC Service without your authorization, please call Timbra, LLC immediately.

CONTRACTORS, EMPLOYEES AND UNSUBSCRIBED USERS

Any contractor, employee or unsubscribed user (defined as any person who enters through the permissive use of the system but is not paying an individual subscription payment whether they have a relationship with the subscriber or not) is bound by all portions of the user license agreement including but not limited to the non-circumvention, non-disclosure and non-competition portions of the same.

Timbra, LLC'S LICENSE TO YOU

Timbra, LLC grants you a single, non-exclusive, non-transferable and limited personal license to access and use Timbra, LLC Services. This license is conditioned on your continued compliance with the terms and conditions in the WBLA . The license specifically limits the use of the Licensed Intellectual Property. The term "Licensed Intellectual Property" means individually, collectively or in any combination, Licensor's patents (whether issued or pending), copyrights (whether registered or not), trademarks and trade names (whether registered or unregistered); as well as concepts, developments, trade secrets, methods, systems, programs, improvements, inventions, data and information (whether in perceivable or machine-readable form), source code, works of authorship and products whether or not patentable, copyrightable, or susceptible to any other form of protection, and whether or not reduced to practice or designated by Timbra, LLC as Licensed Intellectual Property, including, but not limited to the (a) the Proprietary

Materials and Information, (b) the Licensed Marks and (c) the name, image, and likeness of the Company. License fees must be paid at all times during the use of any of the foregoing or the use of the same is prohibited.

YOUR LICENSE TO Timbra, LLC

Unless otherwise indicated for a particular Timbra, LLC Service, any communications or material of any kind that you email, post or otherwise transmit through Timbra, LLC Services, including data, questions, comments, or suggestions (your "Communications") will be treated as non-confidential and nonproprietary. You hereby grant a license to Timbra, LLC to reproduce, disclose, transmit, publish, broadcast, or post your Communications either on Timbra, LLC Web site or elsewhere with no liability or obligation to you. Timbra, LLC is free to use any ideas, concepts, know-how, or techniques contained in your Communications for any purpose including, but not limited to, developing and marketing products using such information.

USE OF THIRD PARTY SERVICE PROVIDERS

Timbra, LLC may use third party service providers to assist in providing certain information or data to

Timbra, LLC Services with or without notice to you (each, a "Third Party Service Provider"). Timbra, LLC may also change Third Party Service Providers or may itself provide a Timbra, LLC Service without the assistance of such third party. You consent and authorize Timbra, LLC to delegate the authorizations you provide to Timbra, LLC to its Third Party Service Provider(s) as Timbra, LLC deems necessary or desirable to provide the applicable e services to you. You agree that the terms and conditions of the WBLA , including any of the other terms, conditions, warranty disclaimers and liability disclaimers incorporated into this Agreement, inure to the benefit of such Third Party Service Providers and such Third Party Service Providers are deemed to be third party beneficiaries of the WBLA, including any other terms, conditions, warranty disclaimers and liability disclaimers incorporated into this Agreement. You also agree that all references to "Timbra, LLC" within the WBLA and any incorporated terms are also deemed to include, where applicable, Timbra, LLC's agents, such as the Third Party Service Providers. To protect the privacy and security of your personal information, Third Party Service Providers will only be authorized to use or maintain your personal information only in accordance with Timbra, LLC's privacy policy.

NOTICES, COMMUNICATIONS, AND ELECTRONIC SIGNATURES

You agree to accept all communications from us regarding use of Timbra, LLC Services at the email addresses you provide during Registration. Please promptly update any changes

to your registration information by contacting us and getting it updated or corrected. Timbra, LLC is entitled to rely on the e-mail address that you last provided to us. You agree to waive all claims resulting from failure to receive communications because of changes in your email. From time to time, we would like to send you information about Timbra, LLC products and services. If you register for a Timbra, LLC Service, you are granting Timbra, LLC permission to communicate with you by e-mail. You agree to be bound by any affirmation, assent, or agreement you transmit through Timbra, LLC Services you access by computer or other electronic device, including internet, telephonic and wireless devices, including but not limited to any consent you give to receive communications from us solely through electronic transmission. You agree that by using the system and subscribing to Timbra, LLC website that your agreement or consent will be legally binding and enforceable and the legal equivalent of your handwritten signature. You agree that if you have provided your login and password to a member of your family or affiliated third party with the permission of Timbra, LLC then you will be bound as well as the family member or third party will be bound under the terms of this agreement when one or any of those using the login and password accept the same and you designate that any person that you have provided your login and password information to are your agents and authorized to do the same.

USE OF Timbra, LLC SERVICES

The following requirements apply to your use of all Timbra, LLC Services:

You will not use any electronic communication feature of Timbra, LLC Service for any purpose that is unlawful, tortious, abusive, intrusive on another's privacy, harassing, libelous, defamatory, embarrassing, obscene, threatening or hateful. You will not upload, post, reproduce or distribute any information, software or other material protected by copyright or any other intellectual property right (as well as rights of publicity and privacy) without first obtaining the permission of the owner of such rights. You will not collect or store personal data about other users. You will not use any Timbra, LLC Service for any commercial purpose not expressly approved by Timbra, LLC in writing. You will not upload, post, e-mail or otherwise transmit any advertising or promotional materials, including, without limitation, "junk mail," "surveys," "spam," "chain letters," "pyramid schemes," or any other form of solicitation or unauthorized communication. You will not upload, post, email or otherwise transmit any material that contains viruses or any other computer code, files or programs which might interrupt, limit or interfere with the functionality of any computer software or hardware or telecommunications equipment.

MARKET INFORMATION

We may make available to you through one or more Timbra, LLC Services a broad range of real estate and related information that we obtain from public records and Third Party

Service Providers. This includes real estate data, our opinions or information on value, court records, real estate records, lien information, comparative market analysis, contact information for homeowners and related data. Collectively, we refer to this as "Market Information." Timbra, LLC does not endorse or approve Market Information, and we make it available to you only as a service and convenience. Timbra, LLC and our Third Party Service Providers do not (1) guarantee the accuracy, timeliness, completeness or correct sequencing of Market Information, or (2) warrant any results from your use or reliance on Market Information. Market Information may quickly become unreliable for various reasons including, for example, changes in market conditions, court proceedings, real estate or lien recordings or economic circumstances among many other things. Neither Timbra, LLC nor the Third Party Service Providers are obligated to update any information or opinions contained in any Market Information, and we may discontinue offering Market Information at any time without notice. You agree that neither Timbra, LLC nor the Third Party Service Providers will be liable to you in any way for the termination, interruption, delay, or inaccuracy of any Market Information. You will not redistribute or facilitate the redistribution of Market Information, nor will you provide access to Market Information to anyone who is not authorized by Timbra, LLC to receive Market Information. If you are a real estate broker/agent, contractor, mortgage broker/agent, appraiser, title professional, real estate investor, Lender, attorney or banker you agree not to use Market Information provided by Timbra, LLC for any purpose related to your business other than as it relates to your activity with Timbra, LLC.

NO INVESTMENT ADVICE OR RECOMMENDATIONS

Timbra, LLC Services and content (including Market Information) are for information, education, and entertainment purposes only. Although Timbra, LLC Services may provide information relating to approaches and opportunities to buy or sell real estate, you should not construe any Market Information, features, tools or other content available through any Timbra, LLC Service as legal, tax, investment, financial, Title Opinions, Comparable Market Analysis, or other advice. Nothing contained in any Timbra, LLC Service or any other content on our Web site constitutes a solicitation, recommendation, endorsement, or offer by Timbra, LLC or a Third Party Service Provider to buy or sell any investments or other financial instruments. You alone assume the sole responsibility of evaluating the merits and risks associated with the use of any Timbra, LLC Service before making any decisions based on Market Information or content contained in a Timbra, LLC Service. In exchange for using Timbra, LLC Services, you agree not to hold Timbra, LLC or any Third Party Service Provider liable for any possible claim for damages arising from any decision you make based on information made available to you through any Timbra, LLC Service.

COMPENSATION FROM PURCHASES AND SALES IN CLIENT ACCOUNTS

Timbra, LLC considers a number of factors in evaluating real estate opportunities among market venues, including upfront costs, availability of financing, alternatives means of gaining title, rehabilitation costs, potential market volatility, court proceedings and real estate recordings, price and opportunities for price improvement, the characteristics of the property, speed and opportunity to bid, purchase, sell or market, the availability of financing, renovation risks, holding times, costs and expenses on top of acquisition, marketing and management of the property and the time periods associated thereto and the unique interplay of the Lenders, homeowners, professionals involved in any given transaction. As such, the compensation for any transaction from purchases or sales on client accounts is assessed in the following manner which is unique to each transaction:

There are five different types of fees or compensation involved with the acquisition of any property through Timbra, LLC software.

MONTHLY USER INTERFACE FEE: as selected by the online registrant as indicated on www.estatestracking.com. The monthly interface fee is an access fee. The fee paid provides the user with access to view the system and its information. The monthly interface fee is based on the locations in which the information is desired. The monthly interface fee is \$99.97 per month for the first county and \$50.00 per month for each additional county. The addition fee of \$50 per county you purchase in is due when you close A to B in your second county and will be paid until you close B to C in that county. There are plans providing for a bulk fee for an entire state at \$500.00 or \$300.00 for a partial state. If Timbra LLC sends you properties to view in other counties or states and you purchase property in that county or state you will be billed \$50.00 per county that **you buy in**. The different plans are specified by the monthly user interface fee which is chosen by the User and may be changed in accordance with that plans terms or if you buy in other counties or states that would increase your monthly fee. The monthly user interface fee is a set monthly fee and does not include any transactional fees on any purchase, acquisition or sale. User agrees to pay a User Interface Fee in the amount stated herein, commencing on the first day of service and continuing thereafter each month during the term of this Agreement. Said Fee shall be paid every 30 days from the day you signed up. You authorize the continued auto withdraw on a monthly basis until or unless cancelled at which point access to the system will be limited. If your access is limited because of non payment you will still be responsible to finish out all Equity Share and Assignment fees owed for Properties you purchase in the system. Service may be terminated without notice if said fee has not been received by the 10 days following your billing date . In the event that service is discontinued, for any reason, whether voluntarily or involuntarily and regardless of who terminates service, except only if an error is made on the part of Timbra, LLC, then a reconnect fee of \$45.00 shall be paid by User before

service may be re-established. The Monthly User Interface Fee will be paid each month through an auto-withdrawal. To this end you specifically agree to, and authorize, the debit or withdrawal of the amounts from or against your bank account, credit card or debit card and this, to recur each month during the term of this Agreement. Failure to satisfy this month charge is a material breach of this Agreement. User is entitled to up to three (3) user access ID and Passwords for persons employed by or closely affiliated with User. Additional user access ID and Passwords may be purchased for persons employed by or closely affiliated with User for an additional \$50 per person per month. Fees incurred by an Additional User shall be paid by User. All persons receiving a user access ID and Password must sign either this agreement or a User Access Agreement. User agrees to control and limit the proliferation of access to

www.estatestracking.com or its strategies, in conformance the terms of this Agreement. Breach of this provision is a material breach of this contract. Failure to pay the monthly fee will terminate the Users right from that point forward to use the system, acquisition assistants, to any entitlement of buyer referral fees or lender fees or any compensation or other service provided by Timbra, LLC. Any services already utilized by the User must be paid for regardless of whether the User is active in the system.

ACQUISITION FEE TO TIMBRA, LLC: The Acquisition is deferred and broken into multiple payments for the convenience of User. While the timing and amount of such fees correlate with the sale of real property, they are NOT real estate fees or commissions and are assessed by reason of the services described herein and NOT by reason of the marketing or sale of real estate to a third party. This fee is paid each time an item or parcel of real property is purchased by User using the www.estatestracking.com software the Timbra, LLC system. Said Acquisition Fee is calculated by one of several methods depending on the location of the property. Said Acquisition Fee is due during said period regardless of whether or not you utilize an Acquisition Assistant or any other service provided by Timbra, LLC, and is due with the exceptions noted herein and no other exceptions whatsoever. Said Fee is due and payable upon the happening of the earlier of the following events as the case may be: (1) within 30 days or sooner after confirmation of an auction purchase, or (2) on the day of execution of an option contract, or (3) on the day of execution of an assignment, (4) on the day of closing on the Property, (5) on the day of the recording the deed, or (6) on the day User takes control or possession of the Property; whichever of all of these happenings occurs first.

PROFIT SPLITS AND WORKOUTS

Profit split on Simple Transactions, which is a simple bid with no strategy and simple offer on a property, is $\frac{2}{3}$ Net Profit to the Buyer and $\frac{1}{3}$ Net Profit to The Estates.

The initial assignment fee is paid up front. The Timbra, LLC fee is as follows: \$5000 for deals that are \$0.01 to \$100,000.00. From \$100,001.00 and higher the fee is \$5000 + \$750 for per \$10,000. For a \$200k home The Estate fee would be \$5000 + \$750 x 10= \$12500. At the end of the transaction, a reconciliation is made to determine what the net one third amount is and the assignment fee is credited against or paid depending on whether the one third amount owed on the equity split is higher or lower than the assignment fee. For example, the net amount on the total cost to buy A to B is \$120,000, the total cost to sell B to C is \$150,000. The total net equity would be \$30,000. The one-third split would be \$10,000. If the assignment fee that was paid was already \$12,500 then Timbra, LLC would owe a credit back for \$2,500.00. To the contrary, the net amount on the total cost to buy A to B is \$120,000 if the total cost to sell B to C is \$180,000. The total net equity would be \$60,000. The one-third split would be \$20,000. If the assignment fee that was paid was already \$12,500 then Timbra, LLC would be owed an additional \$7,500.00. In all instances, the Timbra, LLC will be paid at least a minimum of \$5,000 as an assignment fee.

There will be an option for a buyout to Timbra, LLC on every deal at the front of the transaction if requested.

Timbra, LLC and The Estates, LLC's responsibilities are to:

1. Coach, train and mentor. This does not mean that there is 24 hour instantaneous access. There are scheduled calls and meetups but individual one on one training is provided only on a when available basis. A lack of ability to have one on one coaching whenever requested is not a violation of this agreement.
2. Provide properties to the clients through the system.
3. Timbra, LLC, The Estates, LLC, Craig Brooksby nor any of the related entities are required to provide money in any way. They are also not required to procure a lender or acquire money on behalf of a User.
4. Timbra, LLC, The Estates, LLC, Craig Brooksby nor any of the related entities are required to do a User's accounting or to provide tax documents. Any accounting and bookkeeping provided are provided for the benefit of Timbra, LLC, The Estates, LLC, Craig Brooksby nor any of the related entities.

The Users responsibilities are to:

1. Access the system and find properties.
2. Assume all the risk and back it up with a personal guarantee where required which may Include other assets or interests from other entities or properties that they hold.
3. Renovate the property, if necessary. User needs to be fully accountable to provide all costs and expenses to Images@theestates.com as they are incurred and to use coupons

and discounts to gain the highest return. User is responsible for a budget and adherence to that budget. User must develop a plan and budget to attain the highest and best use with best profits. Any variation on the budget and plan must be approved by all managers.

4. Fund any renovations and overhead with their own money or find the money to get the project done, and provide the proper guarantees that the lender desires if they choose to use a lender. User must negotiate the most favorable lending terms available consistent with guidelines as stated herein.

5. Cooperate with The Estates, LLC and The Estates Real Estate Group, LLC as well as other brokers to get the property properly listed and sold efficiently without negotiating away potential income to the extent possible.

6. Maintain and manage all of the accounting on the property and provide all documentation so that The Estates, LLC and Timbra, LLC may track it as well. All documents, invoices, contracts invoices etc. must be sent in to images@theestates.com as incurred.

7. Set up and maintain bidding LLC's and single asset LLC's for each property and bid.

Lenders Responsibilities:

1. The lender is required to fund the money committed to.

2. The lender is responsible to fund all money for the project or help find other funding sources to complete the property to highest and best use. Lender may be required to release partial interest, subrogate their interest or allow a refinance and buy out in order to allow Property to be fully funded.

3. The lender is required to keep their own accounting and forward all documents invoices contracts to images@theestates.com.

4. Lenders must set up their own llcs.

5. Lenders must take the responsibility to insure that their loans are secured which includes reviewing loan documents and assuring that recorded documents are made available for images@theestates.com so that all profits and percentages are accounted for.

If a loan modification takes place then Lender is responsible for noticing all parties in the transaction as to the type of modification and the costs of doing the same.

6. If a Lender chooses to fund a property, that lender is responsible for providing all funding to highest and best use with best profits unless agreed upon by all managers.

If at any point the User or Lender fails to comply with their responsibilities then Timbra, LLC, The Estates, LLC, Craig Brooksby or any of the related entities to the same may, at their discretion, move forward to negotiate or replace the user or lender's position in any manner deemed necessary. Both the Users money and Lenders money will remain in the project until fullest and best use is achieved or until the User, Lender or The Estates, LLC or its affiliated entities find a suitable replacement or buyout strategy.

All transactions that are sophisticated and require a different or complex set of procedures and communication than others. Some of these transactions may also require corrective title work, document preparation and further negotiation than a normal transaction. A normal transaction is defined as showing up to the courthouse or making an offer to purchase a property with no further action taken other than to bid and confirm or have the offer accepted. In those instances, Timbra, LLC or its Assigned Entity may, at its discretion, opt to be involved with a net equity share agreement. Timbra, LLC or its assigned entity will be entitled to equally participate in the profits of the sale after the payment of all costs and fees to acquire, rehabilitate or otherwise gain marketable title. All costs associated with the acquisition, rehabilitation, acquisition assistant, buyer referral fee, profits upon sale of the asset, data input, office fee, web fee, bookkeeping fee, travel costs repair, marketing, bookkeeping, legal, loss mitigation, corrective title, legal documents, appraisals or any other out of pocket costs shall be paid by the User. The User may submit a one time office fee of no greater than \$750.00 per property. Timbra, LLC will be entitled to an \$850.00 bookkeeping fee to all property distributions. No tax advice, statements or documents will be provided by Timbra, LLC. These cost may be done internally by Timbra LLC and must be paid for as set out by Timbra LLC. If an equity share agreement will be utilized then Timbra, LLC or its assigned entity and the User must confirm this by setting up an LLC where in the The USER and Timbra LLC or its Assigned Entity will take control of the asset, option, deed etc.by using the Equity Share LLC . Any fees owed to Timbra, LLC or its assigned entity on an equity share agreement shall be paid first or at the time of service whichever happens first before any fees are remitted to User after a sale or receipt of proceeds. Among other things, expenses to be deducted from gross profits when determining "net-profits" shall include, but are not be limited to, bid amount, acquisition manager fees, offices expenses (\$950), data entry fees (\$500 so long as gross profits are \$20,000 or more) , web fees (\$500 so long as gross profits are \$20,000 or more), carrying fees and charges, attorney fees, property taxes, insurance, renovation or repair costs, legal/litigation fees, travel expenses related to going out of state and all other reasonable fees, charges and expenses. The costs which are specifically enumerated herein are paid to Timbra, LLC and are not to be deducted from any interest disbursed to the allocated profit interests. The estimated costs for the transaction are illustrated in

Timbra, LLC computer database and are available to all members listed on Schedule I as well as or on the Master Closing Document MCD. All costs incurred prior to the final sale of the subject property to a third-party buyer or B to C as designated in Timbra, LLC software shall be made by User. The acquisition fee represents Timbra, LLC's performance of some or all of the following services: negotiating with property owner, having prepared contracts and other legal documents such as warranty deeds, quitclaim deeds, deeds subject to, disclosure and consent contracts, third party lender authorizations, redemption assignments, service contracts, bid assignments, options, contracts for deed, leases, estate sale documents, tax sale documents, foreclosure sale documents, real estate offers, and the like; providing such documents to the appropriate individuals and entities and having them properly executed, attending sales or auctions and making bids and offers, and all duties and services appurtenant thereto, including bookkeeping accounting, all as specified above, or as an equity share of net profits. Timbra, LLC is not functioning in the capacity of an accountant, a fiduciary, a tax preparer or advisor, real estate agent or broker and if any of the same are desired then that cost will be a cost to the User outside of the system. All bids are to be accounted for by the individual User and must be monitored by the individual User. All deposits are to be monitored by the User and Timbra, LLC has no responsibility for monitor the same. It is the requirement of the USER to provide all money, Credit, and any other forms of financing to effectuate the purchase. The USER is also required to run and manage the project from purchase to sale or rent etc. The Equity share will be used in all cases where it is more than just and a standard real estate offer on a property or bid on a mortgage foreclosure sale for example: tax sales, judicial sales, lien Sales, judgment Sales, list and flip strategies, partition sale, estate sale, sheriff sale, surplus funds or excess funds recovery, subject to sales, strategies where we get a deed, there are large profits, or a Option or any type of agreement will be paid out as an equity share.

On all inferior lien purchases including HOA's, the equity share shall be a 50/50 between the User and Timbra, LLC or an affiliated entity so long as the sale or purchase amount is \$25,000 or less. If a lender is utilized on transactions under \$25,000 then any fee or interest paid to said lender will be deducted from the 50% allocated to the User. If the amount is over \$25,000 then a lender can be utilized and the equity share will be 40/40/20 with the lender. If User utilizes an assistant or transaction coordinator for a fee to negotiate or otherwise work the transaction then the funds paid to that assistant or transaction coordinator comes out of any funds allocated to User.

BIDDING LLC

As of September 1st, 2018, each individual User must bid in their own bidding LLC and an address where that User's bid deposit should be sent must be provided to the Acquisition Assistant prior to any bid being made. Timbra, LLC will not be responsible for any

accounting of bid deposits. Acquisition Assistants will remain on the bidding LLC as a manager. Acquisition assistants are entitled to their payment upon closing of or prior as mentioned above, A to B and a bonus on spread if equity share, when the property is placed in a single asset LLC.

CLOSING BY TIMBRA, LLC DESIGNATED ATTORNEY

All Sellers closings must be handled by Timbra, LLC designated counsel so that all proceeds are held in an attorney trust account until distribution by all parties can be approved. No individual user may close on a property and hold all profits of all other interest holders for their own use or otherwise until distribution. No funds will be distributed until all members and managers of the LLC agree to their distribution. The closing attorney shall be held harmless against any and all claims based on holding said funds as a result of disagreement between the parties. If the closing attorney is told that there is an impasse and the parties cannot agree on the distribution then the designated counsel/closing attorney may pay the funds over to the Court via interpleader and shall be reimbursed all costs and fees of doing so out of the funds paid in. All parties will then be required to retain other counsel to make any claims against said funds.

REAL ESTATE BROKER/AGENT

In the event that a real estate agent or broker is needed or desirable in order to effectuate the intent of this Agreement, User agrees to utilize the services of the agent or broker selected by Timbra, LLC. Upon written approval of Timbra, LLC, the user may if permitted, use an outside agent or broker but the cost shall not be more than the cost of using the agent or broker selected by Timbra, LLC. If user chooses to use an outside broker/realtor and the cost of that broker/realtor exceeds the cost of using the Timbra, LLC selected broker/realtor then User agrees that any difference in cost will be deducted from their portion of any equity share of proceeds. If a flat fee broker/agent is utilized by User, there shall be no additional credit, compensation, or share of proceeds to User and any benefit derived will be split according to the proportionate shares. The flat fee listing fee only will be considered an expense on the B to C closing. Flat fee brokerages must be agreed to in writing by Timbra, LLC. No non-licensed person will be paid a real estate agent or broker fee. If the User is a licensed agent/broker and the User lists the property, the User may claim the same fee as would be paid to a Timbra, LLC approved agent/broker so long as it is agreed to in writing prior to the listing.

ACQUISITION ASSISTANT PROFITS ON SALE OR ASSIGNMENT PAID TO ASSISTANT

Timbra, LLC works with other companies that may have an Acquisition Assistant (herein, Acquisition Assistants) who assist in various capacities such as viewing and inspecting properties, attending auctions, communicating information regarding property sales and

purchases; all with proper licenses as needed. In almost all the Acquisition Assistant will be a manager of the LLC that will sell or assign the bid, deed, contract or other devices. They will be a manager of the LLC or the owner of the entity that will convey the asset. In order to utilize the services of said Acquisition Assistants, User must identify and transmit the following to the Acquisition Assistant assigned to you (by phone, text or email), and additionally, by email to craig@theestates.com, sufficiently in advance to allow reasonable time for the performance of the task requested. Such information will include, but not necessarily be limited to the following: (a) The common address of the property; (b) The instructions concerning the property, such as the maximum amount which the Acquisition Assistant, User and/or Timbra, LLC agrees to buy and sell to each other or agree to authorized a bid or make an offer; (c) Funds sufficient to perform the task requested; sent in sufficient time to perform the task requested. Funds for an auction would normally be received at least one (1) day prior to the auction or any other type of sale. Unless Timbra, LLC is instructed otherwise, all funds utilized for an acquisition will be first paid into said account and then disseminated by the Acquisition Assistant as needed of the purchase.

Acquisition Assistants are independent contractors who own an interest in the LLC used to bid or buy the property that purchases or acquires real estate. The acquisition assistant will then sell, assign, manage, negotiate or otherwise maintain a bid or the purchase of real estate until it is assigned or transferred to a single asset LLC which includes Timbra, LLC. When that transfer or assignment is made, the acquisition assistant will make a profit on the sale of the asset. Acquisition assistants are not licensed real estate agents or brokers. Acquisition assistants are non-licensed persons who bid at foreclosure sales to acquire property for themselves and may assign it to you or bid in their own interest or in Timbra, LLC's interest. Any monies that you provide to an acquisition assistant prior to their transfer or assignment to you is an unsecured loan to that acquisition assistant and does not form a partnership or joint venture. No fiduciary obligations are express or implied. By indicating that you want to acquire a particular property, the acquisition assistant may, but is not required to, bid or acquire title to that property with their own funds or with funds advanced by you in an unsecured loan. Any determination by you to complete the transaction by accepting a transfer or assignment from the acquisition assistant's Timbra, LLC to you will require the payment of the acquisition transfer fee for the document prep and filing.

Timbra LLC/The Estates LLC Acquisition Assistants:

Name	Counties Covered	Contact Details
Lynn Pinder	Mecklenburg, Gaston, Lincoln, Catawba, Rowan, Cabarrus, Stanly, Union, Anson South Carolina to Columbia	Email: Lynn@theestates.com

		Phone: 704-769-0823
Sharon Pompey	Mecklenburg, Gaston, Lincoln, Catawba, Rowan, Cabarrus, Stanly, Union, Anson South Carolina to Columbia	Email: Sharon@theestates.com Phone: 704-995-9117
Tonya Newell	The Rest of North Carolina & South Carolina	Email: Tonya@theestates.com Phone: 336-306-2001

The Acquisition Assistant fee which is paid out within 30 days are as follows:

Property Price	AA Fee
<\$100,000	\$750.00
\$100,000 - \$149,000	\$1250.00
\$150,000 - \$249,000	\$1500
\$250,000 - \$349,000	\$2,000
\$350,000 - \$499,000	\$2,500
>\$500,000	\$500/\$100K

There are two ways the fee above is paid.

It is paid internally by The Estates when they are paid an assignment fee from you the Buyer.

It is paid by the Equity Share Partnership when we purchase a complex real estate deal.

Bonus on spread Equity Share:

Property Price	Bonus
The 1 st 5k-10k	\$250.00
The 2 nd 10k+	\$500.00 per 10k

Ex: 60k spread would be \$250+\$2500=\$2750

Bonus on the spread is ONLY paid out when we are in an equity share deal.

Notwithstanding any other provision herein, Timbra, LLC does not in any manner promise you exclusivity on any bid or acquisition. Any party may bid on any property independently of Timbra, LLC or User and another User of Timbra, LLC software may bid on any property independently of User and/or User's Acquisition Assistant. Hence, this Agreement in no way listing places any restriction on either party concerning their right to bid on any particular property. However if you bid on a property or negotiate on a property using the strategies taught you to by Timbra LLC, clients or affiliates then you will still owe an assignment fee if you circumvent the company and bid on a property or negotiate a deal of any type.

LENDER'S FEES

Timbra, LLC possesses knowledge and/or access to information relating to lenders, brokers, managers, referrers and qualifiers (collectively herein, "Lenders"). Timbra, LLC will provide information upon request to a User which includes the right of User to have access to this information. Such "lenders" shall be designated by Timbra, LLC as either "Exclusive" or "Nonexclusive." Exclusive Lenders include, but are not limited to, IRA lenders/account manager, 401K lenders/account and private cash lenders, and other hard money Lenders that have an exclusive agreement with Timbra, LLC or its managers, presidents, or affiliates. All 401K and IRA investors are Exclusive lenders. A Non-Exclusive Lender is any such Lender not designated by Timbra, LLC as an Exclusive Lender (e.g., companies like Lima One or Carolina Hard Money). User may only utilize the services of an "Exclusive Lender" for transactions within our system (meaning those meeting the criteria for which an Acquisition Fee would be paid. You may use Lenders you find to buy our wholesale deals any time provided it is not someone we have already referred to you that is an Exclusive Lender. We may also introduce you to our Non-Exclusive Lenders that you can use on any deal, regardless of whether it is a deal that is inside our outside of our system. Exclusive Lenders will pay a 1.45% of the total loan amount as a fee to Timbra, LLC on any points charged to any individual or affiliated entity of Timbra, LLC for any loans the Exclusive Lender Makes inside or outside our system or other fees that may be set up in the negotiations by the Lender and Timbra LLC. A referral fee may also be paid to Timbra LLC for the referral of a non exclusive lender. If a Lender does an equity share as a greater payout than a payout on the interest and points then the 1.45% of what would've been the point calculation is still owed to Timbra, LLC. It is expected that Users will use some or all of their own money in real estate transactions. If a User puts their own money into an equity share, the amount and terms must be agreed to by Timbra, LLC prior to the use of any money by the User. If there is not prior written approval, no interest will be paid. Lender Referral Fee: Timbra pays \$360.00 per \$100,000 lent to a referrer of any exclusive lender on any lending transaction provided that the Lender is signed up and

active in the system and the Buyer is actively servicing that lender.

Lender Referral Fee To Timbra LLC

Every deal that the lenders or Buyers fund you money on, there is a Lender Referral Fee owed To Timbra LLC or its companies. Timbra LLC earns lender referral fee of 2% of the loan amount. As an example, if the loan is for \$100,000.00 then Timbra LLC would be paid \$2,000.00. This applies to Buyers and lenders that lend money. So any loan or equity share that is done with any Buyer where one Buyer or Lender loans another buyer money, the person lending the money pays a 2% referral fee for the funding. This is paid to Timbra LLC companies at the B to C Closing. That money is paid out of the money that the funder not out of the Buyers fees another example. Buyers may lend to each other. As example, Garland will lend to Linda. Denise will lend to Garland. Carolyn will lend to Garland, Jim will lend to Carolyn, etc. All of these deals always owe Timbra LLC the 2% of the loan amount. If a Lender does an equity share as a greater payout than a payout on the interest and points then the 2% of what would've been the point calculation is still owed to Timbra, LLC.

There is one other time the funder referral fee is charged. If a client puts money into Crown Funding LLC , when those funds are lent out, there is a 2% fee.

Bid Deposit Funding from Lenders, FEE STRUCTURE:

Bid Money Amount:	Fee (Non-Refundable)
\$1 - \$4,999	\$600
\$5,000 - \$9,999	\$1,200
\$10,000 - \$14,999	\$1,800
\$15,000 - \$19,999	\$2,400
\$20,000+	Negotiable

The Fee is due to Lender before the bid money is transferred. If Borrower is unable to pay the Fee up front, the Lender can, on a case-by-case basis, determine whether or not to make exceptions to when the Fee is due. This determination is solely up to the Lender's discretion. Borrower is not required to borrow all their bid money from the Lender. For example, if the Borrower plans on bidding up to \$11,000, Borrower can request \$9999 from a Lender and cover the remaining \$1001 to avoid having to pay a higher Fee. Regardless as to whether the Borrower uses all the Lender's funds or uses a combination

of Borrower's and Lender's money, 5% of the max bid must be transferred into the trust account for the Acquisition Assistant's use. Any fees (i.e. wire transfer fee (if necessary), drafted agreements etc.) are the responsibility of the Borrower. Borrower's parent LLC is ultimately liable for the amount of bid money borrowed. If the Lender decides to fund the full project, then the Fee for that transaction would be cut in half and Lender would also take either a twenty-percent (20%) equity position or interest. Half of the Fee will be refunded to the Borrower from the Lender's share once everyone gets paid on the deal. The Lender owns the bid so if it defaults the Lender can recover its funds, even if the bidding LLC is in the Borrower's name. (This will be reflected in the Authorization.) If the strategy requires the Borrower to default on their bid, on the date of default the Borrower owes Lender an additional Fee amount (e.g. if the Fee was \$600 then the Borrower would owe an additional \$600, if the Fee was \$1800 then the Borrower would owe an additional \$1800). No additional Fees will be assessed for the amount of time the bid money is lent. If after defaulting, Borrower needs bid money once the property comes back around, this is treated as a separate transaction with a separate Fee.

CONTRACTOR'S FEES

Timbra, LLC or The Estates Renovation and Construction LLC possesses knowledge and/or access to information relating to construction, contractors, improvements, rehabilitation, repairs and renovations (collectively herein, "Construction"). Timbra, LLC or The Estates Renovation and Construction LLC will provide information upon request to a User which includes the right of User to have access to this information. Contractors that are provided may add a referral fee to the bid amount for any proposed repairs, renovations or construction which may be paid to Timbra, LLC or The Estates Renovation and Construction LLC . User may use their own Contractor so long as an estimate is provided in advance of any work performed and Timbra or The Estates Renovation and Construction LLC cannot match or beat the estimate and time frames provided. Estimates are to be provided and Timbra, LLC or The Estates Renovation and Construction LLC reserves the right to review the estimate and provide a competing estimate and a mutual decision must be reached by User and Timbra, LLC.

APPROVAL OF ALL PARTIES

All listing agreements, accepted offers and closing disclosures must be approved by all Managers and all Managers have a right to negotiate on the terms of any of the same. If all Managers do not agree on the strategy, amount made or desired offer, the Managers who is willing to accept a lesser amount may be bought out for what they are willing to accept and any and all funds that the Manager has in the transaction on or before the Manager would have realized any funds or repayment and the remaining Managers may take over

the deal and attempt to extract a higher profit.

CROSS-COLLATERALIZATION

No Manager may cross-collateralize any other deal OR THE SUBJECT PROPERTY (whether the same economic interests are represented in both deals or not) utilizing an asset that is owned or managed by the same or different Managers.

EXEMPTION FROM PAYMENT OF FEES

Notwithstanding any other provision in this Agreement, you are excepted and exempted from paying the Acquisition Fee on a property which meets either of the following prerequisites. (a) Prior Offer Exemption. You need not pay the Acquisition Fee so long as you can demonstrate, by clear and convincing evidence, that you were “in the process of acquiring such property” prior to your executing this Agreement. As used herein, the phrase “in the process of acquiring such property” is defined as you having contacted the owner and having tendered to said owner a written offer to purchase the property where no strategies were used and employed that were learned while you were working with Timbra LLC or its affiliates. If you are signed up to the system and a property is found that the system has not detected yet but it comes by the same means that Timbra normally operates in, then the assignment fee will be owed by you. A good example of this is if you find a foreclosure that has not been sent to you via the system but the property is available on the system or goes to sale at the court houses. . If you bid on such a property then you will still owe us the assignment fee. In some cases we will not see the properties opening bid until it is in the upset bid period at which point we may or may not share it to you. If you find that property and bid on it without us you will still owe the assignment fee.

(b) Prior Professional Exemption. You shall not be precluded from performing such business activities or strategies which you can demonstrate, by clear and convincing evidence, that you performed prior to your executing this Agreement. You may not, however, perform them utilizing the information or methods available from the Timbra, LLC System without incurring the acquisition fees for such information or methods.

This exemption does not apply to internal employees or contractors or subcontractors.

USE OF ACCESS DEVICES

With the exception of applications commonly known as Web Browser software, or other applications formally promoted, endorsed or approved by Timbra, LLC or The Estates, LLC in writing, you agree not to use any software, program, application or any other device to access or log on to any Timbra, LLC Service or The Estates, LLC, including Timbra, LLC or or The Estates, LLC’s computer systems, Web site or proprietary software or to automate the process of obtaining, downloading, transferring or transmitting any Market Information or any other content to or from any Timbra, LLC or or The Estates, LLC

Service, including Timbra, LLC's or or The Estates, LLC computer systems, Web site or proprietary software.

SECURITY OF DATA TRANSMISSIONS AND STORAGE

Electronic (including wired and wireless) communications through The Timbra, LLC or or The Estates, LLC Services may not be encrypted. You acknowledge that there is a risk that data, including e-mail, electronic and wireless communications and personal data, may be accessed by unauthorized third parties when communicated between you and Timbra, LLC or The Estates, LLC or between you and other parties. If you send a wire it is up to you to make sure it is sent to us properly and that we receive it properly by confirming with us that it has been received. Timbra LLC or The Estates, LLC and its affiliates do not take any responsibility for the misdirection of a wire. We know that in today's real estate market that there are hackers and people who try to steal wired funds. Please take precautions to eliminate the risk of a wire getting into the wrong hands.

MONITORING BY TIMBRA, LLC OR THE ESTATES, LLC

Timbra, LLC, its affiliates and agents are entitled, but not obligated, to review or retain your Communications. We and our Third Party Service Providers may monitor your Communications to evaluate the quality of service you receive, your compliance with the WBLA A, the security of The Timbra, LLC or The Estates, LLC Services, or for other reasons. You agree that these monitoring activities will not entitle you to any cause of action or other right with respect to the manner in which Timbra, LLC or The Estates, LLC or its Third Party Service Providers monitor your Communications and enforce or fail to enforce the Rules and Guidelines of any Timbra, LLC or The Estates, LLC Service and the terms of the WBLA In no event will Timbra, LLC or The Estates, LLC or its Third Party Service Providers be liable for any costs, damages, expenses or any other liabilities incurred by you as a result of any monitoring activities.

HYPERLINKS

Timbra, LLC or The Estates, LLC may make available links from a Timbra, LLC or The Estates, LLC Service to other, third party sites or electronic services providers that are not affiliated with Timbra, LLC or The Estates, LLC. Timbra, LLC or The Estates, LLC does not control these other sites or services, and Timbra, LLC or The Estates, LLC makes no representations or endorsements whatsoever concerning those sites or services. The fact that Timbra, LLC or The Estates, LLC has provided a link to a site is not an endorsement, authorization, sponsorship, or affiliation with respect to such site, its owners, or its providers. There are risks in using any information, software, service or product found on the Internet, and Timbra, LLC and The Estates, LLC cautions you to make sure you understand these risks before retrieving, using, relying upon, or purchasing anything via

the Internet. You agree that under no circumstances will you hold Timbra, LLC or The Estates, LLC liable for any loss or damage caused by use of or reliance on any content, goods or services available on other sites.

DISCLAIMERS OF WARRANTIES

ALTHOUGH TIMBRA, LLC TRIES TO PROVIDE ACCURATE AND TIMELY INFORMATION THROUGH ITS SERVICES, THERE MAY BE INADVERTENT TECHNICAL OR FACTUAL INACCURACIES AND TYPOGRAPHICAL ERRORS. TIMBRA, LLC RESERVES THE RIGHT TO MAKE CHANGES AND CORRECTIONS AT ANY TIME, WITHOUT NOTICE. THE INFORMATION PROVIDED THROUGH TIMBRA, LLC SERVICES IS PROVIDED "AS IS" AND "AS AVAILABLE." TIMBRA, LLC DOES NOT WARRANT THE ACCURACY, COMPLETENESS OR TIMELINESS OF THE INFORMATION, TEXT, GRAPHICS, LINKS OR OTHER ITEMS CONTAINED IN TIMBRA, LLC SERVICES. TIMBRA, LLC PROVIDES NO GUARANTEE AGAINST THE POSSIBILITY OF DELETION, MIS-DELIVERY OR FAILURE TO STORE COMMUNICATIONS, PERSONALIZED SETTINGS, OR OTHER DATA. TIMBRA, LLC EXPRESSLY DISCLAIMS ALL LIABILITY FOR ERRORS OR OMISSIONS IN, OR THE MISUSE OR MISINTERPRETATION OF, ANY INFORMATION CONTAINED IN TIMBRA, LLC SERVICES. TIMBRA, LLC MAY CHANGE INFORMATION CONTAINED IN TIMBRA, LLC SERVICES AT ANY TIME AND MAKES NO COMMITMENT TO UPDATE THE INFORMATION CONTAINED IN TIMBRA, LLC SERVICES. YOU ASSUME THE ENTIRE RISK AS TO THE USE OF TIMBRA, LLC SERVICES. FURTHER, TIMBRA, LLC MAKES NO WARRANTIES REGARDING TIMBRA, LLC SERVICES. TIMBRA, LLC AND ITS AFFILIATES AND AGENTS (INCLUDING THIRD PARTY SERVICE PROVIDERS) DISCLAIM ALL WARRANTIES, EITHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO IMPLIED WARRANTIES OF MERCHANTABILITY, ACCURACY, FITNESS FOR A PARTICULAR PURPOSE, AND NON-INFRINGEMENT. ANY MATERIAL DOWNLOADED OR OTHERWISE OBTAINED THROUGH THE USE OF TIMBRA, LLC SERVICES IS DONE AT YOUR OWN DISCRETION AND RISK AND YOU ARE SOLELY RESPONSIBLE FOR ANY DAMAGE TO YOUR COMPUTER OR OTHER ELECTRONIC SYSTEM OR LOSS OF DATA THAT RESULTS FROM THE DOWNLOAD OF ANY SUCH MATERIAL. NO ADVICE OR INFORMATION, WHETHER ORAL OR WRITTEN, OBTAINED BY YOU FROM TIMBRA, LLC OR THROUGH OR FROM TIMBRA, LLC SERVICES, WILL CREATE ANY WARRANTY NOT EXPRESSLY STATED IN THESE TERMS. IT IS EXTREMELY IMPORTANT THAT YOU PERFORM YOUR OWN RESEARCH AND MAKE YOUR OWN DECISIONS REGARDING ANY AND ALL MATTERS RELATING TO THIS AGREEMENT. NOTHING IN THIS AGREEMENT AND NOTHING IN OUR STATEMENTS TO YOU MAY BE CONSTRUED AS A PROMISE OR GUARANTEE CONCERNING THE OUTCOME OF YOUR MATTER. NO ONE IN THE TIMBRA, LLC IS

PERMITTED TO MAKE ANY SUCH PROMISES OR GUARANTEES. THE TIMBRA, LLC COMMENTS ABOUT THE OUTCOME OF YOUR MATTER ARE EXPRESSIONS OF OPINION ONLY. THE TIMBRA, LLC DOES NOT GUARANTEE THAT YOU WILL BE SUCCESSFUL IN OBTAINING A BID, NOR OWNERSHIP, NOR THAT YOU WILL MAKE A PROFIT OR AVOID A LOSS. THE TIMBRA, LLC STATEMENTS CONCERNING PROPERTY VALUES ARE ESTIMATES AND MAY NOT BE RELIED UPON. THE TIMBRA, LLC STATEMENTS CONCERNING REPAIRS OR MAINTENANCE OF PROPERTIES AND/OR THE COST OF MAKING SUCH REPAIRS OR DOING SUCH MAINTENANCE ARE ESTIMATES AND MAY NOT BE RELIED UPON. THE TIMBRA, LLC MAKES NO REPRESENTATIONS CONCERNING TITLE, MARKETABILITY OF TITLE, NOR THE EXISTENCE OR AMOUNT OF ENCUMBRANCES UPON TITLE. YOU ARE ENCOURAGED TO SEEK THE ADVICE OF PROFESSIONALS IN DETERMINING VALUE, MARKETABILITY, COSTS AND EXPENSES WHICH MIGHT BE ASSOCIATED WITH ANY PURCHASE.

TIMBRA, LLC MAKES NO GUARANTY OF THE ACCURACY OF ANY OF THE PROPERTY VALUES OR SALABILITY OF ANY PROPERTY; NOR OF THE CONDITION OF ANY PROPERTY OR THE NEED FOR REPAIRS. TIMBRA, LLC MAY ADVISE AND MAKE RECOMMENDATIONS, AND YOU MUST PERFORM YOUR OWN DUE DILIGENCE.

ALL IMPLIED WARRANTIES IMPLIED AT LAW OR OTHERWISE, WHETHER OF FITNESS, OF MARKETABILITY, OR OF FITNESS FOR A PARTICULAR PURPOSE ARE EXPRESSLY WAIVED AND ARE NOT REPLACED WITH ANY WARRANTY OR GUARANTY IN THEIR PLACE.

TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT INVOLVE RISK. YOU MAY LOSE MONEY. YOU MAY OR MAY NOT MAKE MONEY. YOU MAY OR MAY NOT SELL YOUR PROPERTY OR PROPERTIES PURCHASE BY REASON OF YOUR DEALINGS WITH TIMBRA , LLC. YOU SHOULD EVALUATE TRANSACTIONS AND ALL RISKS ASSOCIATED THEREWITH INDEPENDENTLY OF TIMBRA, LLC AND MAKE YOUR OWN DECISIONS IN THAT REGARD. YOU AGREE THAT TIMBRA LLC DOES NOT ACCEPT SUCH RISKS AND IS IN NO WAY RESPONSIBLE FOR THE OUTCOME OF YOUR DECISIONS.

AS STATED AT LAW, A DEFAULTING BIDDER AT ANY SALE OR RESALE OR ANY DEFAULTING UPSET BIDDER IS LIABLE ON HIS BID, AND IN CASE A RESALE IS HAD BECAUSE OF SUCH DEFAULT, HE SHALL REMAIN LIABLE TO THE EXTENT THAT THE FINAL SALE PRICE IS LESS THAN HIS BID PLUS ALL THE COSTS OF THE RESALE. ANY DEPOSIT OR COMPLIANCE BOND MADE BY THE DEFAULTING BIDDER SHALL SECURE PAYMENT OF THE AMOUNT, IF ANY, FOR WHICH THE DEFAULTING BIDDER REMAINS LIABLE UNDER LAW. SEE NCGS § 45-21.30(D).

YOU SHOULD SEEK THE ADVICE OF PROFESSIONALS WITH REGARD TO YOUR MATTER. Timbra, LLC IS NOT A SUBSTITUTE FOR A LAWYER, ACCOUNTANT OR OTHER PROFESSIONAL. THE TIMBRA, LLC MAKES NO REPRESENTATIONS AND WARRANTIES, AND EXPRESSLY DISCLAIMS ANY AND ALL LIABILITY, CONCERNING ACTIONS TAKEN BY YOU. IN NO WAY WILL TIMBRA, LLC BE RESPONSIBLE FOR ANY ACTIONS TAKEN OR NOT TAKEN BASED ON THE INFORMATION OR RESOURCES PROVIDED BY THE SAME. DO NOT DISREGARD, AVOID OR DELAY OBTAINING PROFESSIONAL ADVICE FROM A QUALIFIED SPECIALIST BECAUSE OF INFORMATION OR RESOURCES PROVIDED BY TIMBRA, LLC.

TIMBRA, LLC, ON BEHALF OF ITSELF AND ITS SUBSIDIARIES AND AFFILIATES DISCLAIMS AND EXCLUDES ALL EXPRESS, IMPLIED AND STATUTORY WARRANTIES AND CONDITIONS REGARDING IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS, AND FITNESS FOR A PARTICULAR PURPOSE. TIMBRA, LLC RESERVES THE RIGHT TO DECLINE SERVICE TO ANYONE OR TO TERMINATE THE SERVICE OF ANYONE AT ANY TIME WITHOUT CAUSE, EXCEPT AS PROHIBITED BY LAW.

IF THE USER PURCHASES A PROPERTY, IT IS THEIR RESPONSIBILITY TO MONITOR TAX PAYMENTS, AVOID CODE VIOLATIONS, MONITOR SUPERIOR LIENS AND PROTECT THE STATUS OF THE PROPERTY. ALL RISK OF LOSS IS ON THE USER.

LIMITATION OF LIABILITY AND INDEMNIFICATION

YOU AGREE TO INDEMNIFY AND HOLD TIMBRA, LLC AND ITS AFFILIATES, AGENTS, EMPLOYEES, AND TIMBRA, LLCs (INCLUDING THE THIRD PARTY SERVICE PROVIDERS) HARMLESS FROM ANY CLAIM, DEMAND, LOSS, COSTS OR EXPENSE, INCLUDING ATTORNEYS' FEES, MADE BY ANY PERSON ARISING OUT OF YOUR VIOLATION OF THIS AGREEMENT, STATE OR FEDERAL SECURITIES LAWS OR REGULATIONS, OR ANY OTHER PERSON'S RIGHTS, INCLUDING BUT NOT LIMITED TO INFRINGEMENT OF ANY COPYRIGHT OR VIOLATION OF ANY PROPRIETARY OR PRIVACY RIGHT. UNDER NO CIRCUMSTANCES, INCLUDING BUT NOT LIMITED TO A NEGLIGENT ACT, WILL TIMBRA, LLC OR ITS AFFILIATES, AGENTS, EMPLOYEES, OR TIMBRA, LLCs (INCLUDING THIRD PARTY SERVICE PROVIDERS) BE LIABLE FOR ANY DAMAGES OF ANY KIND THAT RESULT FROM THE USE OF, OR THE INABILITY TO USE, ANY TIMBRA, LLC SERVICE, EVEN IF ANY SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. APPLICABLE LAW MAY NOT ALLOW THE LIMITATION OR EXCLUSION OF LIABILITY OR INCIDENTAL OR CONSEQUENTIAL DAMAGES, SO THE ABOVE LIMITATION OR EXCLUSION MAY NOT APPLY TO YOU. IN NO EVENT WILL TIMBRA, LLC OR ITS THIRD PARTY SERVICE PROVIDERS BE LIABLE TO YOU OR ANY THIRD PARTY FOR ANY TORT, CONTRACT OR ANY OTHER LIABILITY ARISING IN CONNECTION WITH THE USE OF A TIMBRA, LLC SERVICE, OR

RELIANCE ON ANY INFORMATION OR SERVICES PROVIDED BY TIMBRA, LLC. TIMBRA, LLC AND ITS THIRD PARTY SERVICE PROVIDERS WILL UNDER NO CIRCUMSTANCES BE LIABLE TO YOU AND/OR ANY THIRD PARTY, REGARDLESS OF THE FORM OF ACTION, FOR ANY LOSS OF PROFITS, GOODWILL, USE, DATA OR OTHER INTANGIBLE LOSSES, OR ANY DIRECT, INDIRECT, SPECIAL, CONSEQUENTIAL, INCIDENTAL OR PUNITIVE DAMAGES WHATSOEVER, EVEN IF TIMBRA, LLC OR ITS THIRD PARTY SERVICE PROVIDERS HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES RESULTING FROM: (I) THE USE OR THE INABILITY TO USE TIMBRA, LLC SERVICES; (II) THE TIMELINESS, DELETION, MISDELIVERY, OR FAILURE TO STORE ANY USER DATA, COMMUNICATIONS OR PERSONALIZATION SETTINGS; (III) THE COST OF GETTING SUBSTITUTE GOODS AND SERVICES RESULTING FROM ANY PRODUCTS, DATA, INFORMATION OR SERVICES PURCHASED OR OBTAINED OR MESSAGES RECEIVED OR TRANSACTIONS ENTERED INTO, THROUGH OR FROM TIMBRA, LLC SERVICES; (IV) UNAUTHORIZED ACCESS TO OR ALTERATION OF YOUR TRANSMISSIONS OR DATA; (V) STATEMENTS OR CONDUCT OF ANYONE ON TIMBRA, LLC SERVICES; (VI) THE USE, INABILITY TO USE, UNAUTHORIZED USE, PERFORMANCE OR NON-PERFORMANCE OF ANY THIRD PARTY, EVEN IF THE THIRD PARTY HAS BEEN ADVISED PREVIOUSLY OF THE POSSIBILITY OF SUCH DAMAGES; OR (VII) ANY OTHER MATTER RELATING TO TIMBRA, LLC SERVICES. YOU AGREE THAT YOU WILL NOT IN ANY WAY HOLD TIMBRA, LLC RESPONSIBLE FOR ANY SELECTION OR RETENTION OF, OR THE ACTS OR OMISSIONS OF, THIRD PARTIES (INCLUDING THIRD PARTY SERVICE PROVIDERS) IN CONNECTION WITH TIMBRAIMBRA, LLC SERVICES.

BECAUSE SOME STATES PROHIBIT THE LIMITATION OF LIABILITY FOR CONSEQUENTIAL OR INCIDENTAL DAMAGES, IN SUCH STATES THE LIMITATION OF LIABILITY ONLY WITH RESPECT TO CONSEQUENTIAL OR INCIDENTAL DAMAGES MAY NOT APPLY TO YOU, AND THE RESPECTIVE LIABILITY OF TIMBRA, LLC AND ITS THIRD PARTY SERVICE PROVIDERS, EMPLOYEES, DISTRIBUTORS AND AGENTS IS LIMITED TO THE GREATEST EXTENT ALLOWABLE UNDER APPLICABLE LAW IN THOSE STATES.

In the event that a court or arbitration panel, as the case may be, should hold that the limitations of liabilities or remedies available as set forth in this Agreement, or any portions thereof, are unenforceable for any reason, or that any of your remedies under this Agreement fail, then you expressly agree that under no circumstances will the total, aggregate liability of Timbra, LLC and its Third Party Service Providers, employees, distributors, agents or affiliates, to you or any party claiming by or through you for any cause whatsoever, exceed \$100 (U.S.), regardless of the form of action and whether in contract, statute, tort or otherwise.

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TRADEMARKS AND COPYRIGHTS

Timbra, LLC or The Estates, LLC's Services are owned by Timbra, LLC or or The Estates, LLC its affiliates or agents (including the Third Party Service Providers) and are protected by United States copyright laws and international treaty provisions. All content, trademarks, services marks, trade names, logos, and icons are proprietary to Timbra, LLC or The Estates, LLC or its affiliates, or The Estates, LLC, Timbra, LLCs or agents (including the Third Party Service Providers). Other third-party products and brand names may be trademarks or registered trademarks of their respective owners, and may not be affiliated with or The Estates, LLC or Timbra, LLC. Nothing contained in Timbra, LLC or The Estates, LLC Services should be construed as granting, by implication, estoppel, or otherwise, any license or right to use any trademark displayed on Timbra, LLC or The Estates, LLC Services without the written permission of Timbra, LLC or The Estates, LLC or such third party that may own the trademarks displayed on Timbra, LLC or The Estates, LLC Services. Your use of the trademarks displayed on Timbra, LLC or The Estates, LLC Services, or any other content in Timbra, LLC or The Estates, LLC Services, except as provided herein, is strictly prohibited.

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laws and international treaty provisions. All content, trademarks, services marks, trade names, logos, and icons are proprietary to The Estates, LLC or its affiliates, The Estates, LLCs or agents (including the Third Party Service Providers). Other third-party products and brand names may be trademarks or registered trademarks of their respective owners, and may not be affiliated with The Estates, LLC. Nothing contained in The Estates, LLC Services should be construed as granting, by implication, estoppel, or otherwise, any license or right to use any trademark displayed on The Estates, LLC Services without the written permission of The Estates, LLC or such third party that may own the trademarks displayed on The Estates, LLC Services. Your use of the trademarks displayed on The Estates, LLC Services, or any other content in The Estates, LLC Services, except as provided herein, is strictly prohibited.

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MODIFICATIONS, SUSPENSIONS AND TERMINATIONS OF TIMBRA, LLC SERVICES

Timbra, LLC reserves the right to modify or discontinue, temporarily or permanently, Timbra, LLC Service (or any part thereof) with or without notice. You agree that Timbra, LLC will not be liable to you or to any third party for any modification, suspension or discontinuance of a Timbra, LLC Service. Please keep in mind that extended periods of inactivity may also result in your enrollment in a Timbra, LLC Service being canceled. The license granted under the WBLA A will terminate if Timbra, LLC believes that any information provided by you, including your email address, is no longer current or accurate, or if you fail to otherwise comply with any term or condition of the WBLA and all Rules and Guidelines for each Timbra, LLC Service. Upon such violation, you agree to terminate access to The Timbra, LLC Services.

GOVERNING LAW

The WBLA , and all future agreements you may enter into with Timbra, LLC, unless otherwise indicated on such other agreement, will be governed by the law of the state of North Carolina, without regard to conflicts of law principles thereof. This is the case regardless of whether you reside or transact business with Timbra, LLC in North Carolina or elsewhere. Unless a dispute would be governed by an applicable arbitration clause, you agree to submit to the personal and exclusive jurisdiction of the courts located within the City and County of Raleigh, Wake County, North Carolina. If any part of the WBLA is unlawful, void or unenforceable, that part will be deemed severable and will not affect the

validity and enforceability of any remaining provisions.

A material element of Timbra, LLC entering into this agreement is your agreement by the acceptance herein to a dispute resolution committee formed by other subscribers and real estate professionals which are chosen by Timbra, LLC and which is more fully defined herein. As part of this agreement, you agree to submit any disputes to the dispute resolution committee if you disagree with any portion of this agreement or allocation of any costs or profits. The decision of the dispute resolution committee shall be binding on the parties. Any court action that is taken inconsistent with this paragraph shall be the basis of an assessment of attorney's fees and costs against the party failing to follow the dispute resolution procedure.

NON-CIRCUMVENTION

User agrees not to contract, deal with, or enter into any real estate transaction in circumvention of this Agreement or in circumvention of the payment of fees normally owed under this Agreement at any time or in any manner, without the written consent of Timbra, LLC. This includes, but is not limited to, terminating this Agreement in order to perform real estate transaction which would normally require payment of a Fee as set forth herein. In any action brought to enforce this provision the burden of proof shall rest exclusively with User to show by clear and convincing evidence that there was no attempt to circumvent this Agreement.

NON-DISCLOSURE

Timbra, LLC Confidential Information (defined below) is a valuable, special and unique asset of Timbra, LLCs business, access to and knowledge of which are essential to the transaction contemplated by this Agreement. It is vital to Timbra, LLCs legitimate business interests that the confidentiality of all Confidential Information be preserved. Use or reliance on the Confidential Information by or on behalf of any other business or commercial activity in competition with Timbra, LLC could result in irreparable harm to Timbra, LLC. As such, the User agrees to hold in strict confidence, and not to use, except for the benefit of Timbra, LLC and user as is contemplated by this Agreement to disclose to any person, firm or corporation without written authorization of Timbra, LLC, any Confidential Information of Timbra, LLC, and such agreement with respect to Confidential Information shall remain in effect at all times during the term of this agreement and at any time thereafter.

NON-COMPETITION

In the spirit of the agreement as embodied in the Non-Disclosure and Non-Circumvention provisions set forth above, User agrees that the intellectual property and approaches which are provided under this Agreement and through use of the License are trade secrets under North Carolina law. North Carolina defines a trade secret as: business or technical information, including but not limited to a formula, pattern, program, device, compilation of information, method, technique, or process that: a) derives independent actual or potential commercial value from not

being generally known or readily ascertainable through independent development or reverse engineering by persons who can obtain economic value from its disclosure or use; and b) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. N.C. Gen. Stat. § 66-152(3). Further, the parties acknowledge that the information provided is: (1) information which is not known outside the business; (2) the information provided to employees and others involved in the business is limited outside of the License; (3) the Licensor has taken precautions to guard secrecy of the information; (4) the information is valuable to the business and its competitors; (5) there has been a great amount of effort and/or money expended in developing the information; and (6) there would be difficulty in compiling the information in a manner to be acquired or duplicated by others. The Licensee acknowledges that it has a duty of confidence to the Licensor in regards to any and all information provided.

This non-competition agreement will extend to any state where Timbra, LLC or The Estates, LLC or their affiliates are marketing, building records, attending REIA's or actively participating in the distressed property/foreclosure market or wholesale market.

As such, Licensee agrees not to provide any consultation to, no participate in any manner with, any other entity of any type or description which competes with Timbra, LLC, whether done directly or indirectly, in ownership, consultation, employment or otherwise. User agrees not to reveal to outside sources, use documents prepared, use techniques or strategies made available in any matters, the revealing of which could, in any manner, adversely affect or disclose Timbra's business or any part thereof, unless required by law to do so. This Non-Competition provision is limited to the geographic area consisting of each county or like jurisdictional entity in which either Timbra, LLC or any affiliated entity owned directly by Timbra, LLC or in which Timbra, LLC maintains property records available for use within the system, either directly or indirectly. User acknowledges that the remedy at law for breach of this Covenant Not To Compete will be inadequate and that Timbra, LLC shall be entitled to injunctive relief as to any violation thereof; however, nothing herein shall be construed as prohibiting Timbra, LLC from pursuing any other remedies available to it, in addition to injunctive relief, whether at law or in equity, including the recovery of damages. User further acknowledges that any breach of User's Covenant Not To Compete shall be deemed a material breach of this Agreement.

Since the damages for a breach of the confidentiality or non-competition clauses are difficult if not impossible to calculate, the Licensee agrees that any breach shall be the liquidated damages amount of all monies that you have made by use of the system or are owed for properties currently in the system.

DURATION & MODIFICATION

This Agreement shall commence on the date first written above and shall remain in full force and effect and continue month to month for the maximum period allowed by law. This Agreement is revocable by either party upon the giving of thirty (30) days advance written notice of the same as prescribed in the Notice provision below. If revoked, any fees earned on any acquisition, transfer or sale prior to that revocation are still due and owing and shall be payable immediately. The revocation does not mean that you no longer

owe equities or assignment fees for deals you are already into or will be into based on using Timbras strategies and methods.

REMEDIES

Both parties specifically agree and acknowledge that any violations of this Agreement will cause irreparable injury to Timbra, LLC, and that Timbra, LLC shall be entitled to an injunction, restraining you from the violation of any part of this Agreement, or compelling the promised performance, without bond.

Both parties agree that the violation of this Agreement in any manner shall result in such damages as are allowable at law or in equity. In addition to those damages and remedies already stated, both parties also agree to forfeit or disgorge to the other any profits made by reason of a violation of this Agreement.

Both parties agree that in no event shall the total, aggregate liability arising out of or related to this Agreement exceed, the total amount of fees paid by one party to the other in the six-month period immediately prior to the event giving rise to the claim you pursue except where the breaching party does so with malice or willful misconduct.

Both parties agree that from time to time a dispute may arise in an among the managers or members of LLC that are composed of the Licensee and/or Licensee under the system provided for in this agreement. In the event of a deadlock among Managers/Members or in the event that any Manager objects to a decision made by other Managers or Members disagree with a decision made by a Manager or other Member, the same shall be resolved by the Dispute Resolution Committee.

Two standing Committees called the Resolution Dispute Committees have been formed which shall decide all deadlock or objections of Members or Managers. One Committee is composed of persons or entities located in the eastern part of North Carolina and the other committee consists of persons or entities located in the western part of North Carolina. For purposes of this division, Greensboro and east is considered as eastern and anything west of Greensboro is considered western. The Committee for the opposite geographical region shall make the decision for the party located and submitting a dispute in the other division. (For e.g. if Complainant is located in Charlotte then the eastern committee will make the decision.) Said Committees shall consist of five (5) members appointed by Timbra, LLC, and shall consist of the following: a contractor, a lender, an acquisition assistant, a representative of Timbra, LLC, and a real estate buyer. Once a question has been submitted to said Committee, the Committee shall hold an informal hearing weather in person by phone or email as soon as possible from submission, and shall render a decision as soon as possible of said hearing. Decisions shall be made by a simple majority of all of those committee members participating at the time when the decision is rendered. Decisions of this Committee are final, binding and are in lieu of all

other legal remedies. Said decision may be submitted to a Court for entry of a judgment consistent with this binding agreement. No fees shall be charged by the committee. Each member of a committee understands and acknowledges that they have a duty of impartiality and confidentiality in all information obtained and all decisions rendered.

GENERAL PROVISIONS

When reasonable grounds concerning the performance of either party arise, the non-offending party may in writing demand adequate assurance of performance by the other by a notice in 18 point font, Times New Roman, as set forth below, delivered to the other party. The offending party's failure to provide within 10 days of demand, such assurance of performance as is adequate under the circumstances is a default under this Agreement.

If either party is found to be in default or breach of any term under this Agreement, then the non-defaulting party may give Notice to the defaulting party of the offending act or acts by a notice in 18 point font, Times New Roman, as set forth below, delivered to the allegedly breaching party. If, after 5 days, the breach has not been cured, the non-defaulting party, at their election, may declare the contract terminated and may seek such remedies as may be available at law or in equity.

If any legal action or proceeding or efforts are brought or made, by either party, to enforce any part of this Agreement, including arbitration or an action for declaratory relief, the prevailing party shall recover its reasonable time and expenses spent in preparation and presentation or litigation thereof, and shall recover a reasonable sum for attorney's fees (including in-house counsel fees billed at the rate of one who limits his/her areas of practice), costs and expenses with regard to the same, all of which shall be paid whether or not such action is prosecuted to judgment. Said sums shall be paid whether or not suit or arbitration is instituted. If the prevailing party chooses to use a collection agency to recover money owed from the non-prevailing party, the non-prevailing party agrees to reimburse the prevailing party for all of the collection agency fees in addition to any other sums permissible by law. "Prevailing party" shall include, (a) a party who dismisses an action in exchange for sums allegedly due; (b) a party who receives performance from another party of an alleged breach of covenant or a desired remedy where the remedy is substantially equal to the relief sought in an action; or (c) the party determined to be the prevailing party by a judge or arbitrator.

Whenever any party hereto gives or serves upon another party a notice or demand, each such notice or demand shall be in writing and must contain the word "NOTICE" in capital letters at the top of the first page of said writing in either Times New Roman or Arial type font of not less than 18 point. Failure to comply with this requirement shall render the notice ineffective but shall not constitute a material breach of this Agreement. Such

communications shall be given or served by email or facsimile transfer (fax). Such communications shall be deemed received upon transmission thereof. Such communications may also be sent by mail or some other method; provided, however, that such delivery shall be in addition to, and not in lieu of, the communication sent by email or fax.

The parties acknowledge that each party and its counsel either have, or have had the opportunity to, review and revise this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any amendment or exhibit hereto. Any reference to a number of days, not otherwise specified, is to the number of calendar days rather than business days.

This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the parties hereto. Timbra, LLC may assign its rights hereunder to any person or entity without Notice or consent from you. Any assignment by you is void unless done with the advance prior written consent of Timbra, LLC.

Each term or provision of this Agreement and the application thereof is entitled to the fullest extent permitted by law. Each and every term, covenant, and agreement herein shall be deemed a condition hereof. Waiver of any breach of any term or condition of this Agreement shall not constitute a waiver of subsequent breaches. The failure to strictly enforce the conditions or covenants of this Agreement shall not be construed as a waiver or relinquishment of the same, and shall not prevent later enforcement of the same. The invalidity or partial invalidity of any provisions of this Agreement shall not render the remainder of the Agreement invalid or unenforceable. Unenforceability of the of the non-disclosure or no-competition portion of this Agreement in any geographical location shall not render the same unenforceable in the remaining geographical locations. Breach of any covenant or Term of this Agreement is deemed a material breach of this entire Agreement.

This Agreement, together with all other documents between these same parties of even date and their attachments, embodies the entire, full and final agreement and understanding of the parties with respect to the subject matter of this Agreement and there are no agreements, understandings, undertakings, restrictions, representations, warranties or covenants among the parties other than those set forth herein. This Agreement supersedes all prior negotiations, discussions, correspondence, communications, understandings, and agreements between the parties relating to the subject matter of this Agreement, including, without limitation, all prior offers or agreements to purchase the subject Property, all notes, emails, letters, telephone calls and earlier drafts of this Agreement. This Agreement cannot be modified except in a writing

signed by all parties.

By logging onto and subscribing to the system, you agree to the foregoing in its entirety.

Summary of Amendment 01-20-2019

User fees for new counties

The Estates Renovation and Construction, LLC has been established and User has certain responsibilities in regards to the same.

No User may charge their own accounting fee.

Timbra, LLC and The Estates, LLC's responsibilities are to:

1. Coach, train and mentor. This does not mean that there is 24 hour instantaneous access. There are scheduled calls and meetups but individual one on one training is provided only on a when available basis. A lack of ability to have one on one coaching whenever requested is not a violation of this agreement.
2. Provide properties to the clients through the system.
3. Timbra, LLC, The Estates, LLC, Craig Brooksby nor any of the related entities are required to provide money in any way. They are also not required to procure a lender or acquire money on behalf of a User.
4. Timbra, LLC, The Estates, LLC, Craig Brooksby nor any of the related entities are required to do a User's accounting or to provide tax documents. Any accounting and bookkeeping provided are provided for the benefit of Timbra, LLC, The Estates, LLC, Craig Brooksby nor any of the related entities.

The Users responsibilities are to:

1. Access the system and find properties.
2. Assume all the risk and back it up with a personal guarantee where required which may include other assets or interests from other entities or properties that they hold.
3. Renovate the property, if necessary. User needs to be fully accountable to provide all costs and expenses to Images@theestates.com as they are incurred and to use coupons and discounts to gain the highest return. User is responsible for a budget and adherence to that budget. User must develop a plan and budget to

attain the highest and best use with best profits. Any variation on the budget and plan must be approved by all managers.

4. Fund any renovations and overhead with their own money or find the money to get the project done, and provide the proper guarantees that the lender desires if they choose to use a lender. User must negotiate the most favorable lending terms available consistent with guidelines as stated herein.

5. Cooperate with The Estates, LLC and The Estates Real Estate Group, LLC as well as other brokers to get the property properly listed and sold efficiently without negotiating away potential income to the extent possible.

6. Maintain and manage all of the accounting on the property and provide all documentation so that The Estates, LLC and Timbra, LLC may track it as well. All documents, invoices, contacts invoices etc. must be sent in to images@theestates.com as incurred.

7. Set up and maintain bidding LLC's and single asset LLC's for each property and bid.

Lenders Responsibilities:

1. The lender is required to fund the money committed to.

2. The lender is responsible to fund all money for the project or help find other funding sources to complete the property to highest and best use. Lender may be required to release partial interest, subrogate their interest or allow a refinance and buy out in order to allow Property to be fully funded.

3. The lender is required to keep their own accounting and forward all documents invoices contracts to images@theestates.com.

4. Lenders must set up their own llcs.

5. Lenders must take the responsibility to insure that their loans are secured which includes reviewing loan documents and assuring that recorded documents are made available for images@theestates.com so that all profits and percentages are accounted for.

If a loan modification takes place then Lender is responsible for noticing all parties in the transaction as to the type of modification and the costs of doing the same.

6. If a Lender chooses to fund a property, that lender is responsible for providing all funding to highest and best use with best profits unless agreed upon by all managers.

If at any point the User or Lender fails to comply with their responsibilities then Timbra, LLC, The Estates, LLC, Craig Brooksby or any of the related entities to the same may, at their discretion, move forward to negotiate or replace the user or lender's position in any manner deemed necessary. Both the Users money and Lenders money will remain in the project until fullest and best use is achieved or until the User, Lender or The Estates, LLC or its affilaited entities find a suitable replacement or buyout strategy.

You agree that if you have provided your login and password to a member of your family or affiliated third party with the permission of Timbra, LLC then you will be bound as well as the family member or third party will be bound under the terms of this agreement when one or any of those using the login and password accept the same and you designate that any person that you have provided your login and password information to are your agents and authorized to do the same.



Deposition of:
Carolyn Souther

September 17, 2019

In the Matter of:

**Maricol Yunaira Tineo De Leon, Et Al.
Vs. Edgewood Townhomes Association,
Et Al.**

Caseworks Court Reporting

1 But I know one my neighbors bids on
2 properties at auction.

3 So, it's a matter of integrity. If you
4 know somebody else wants a property, and they're
5 bidding on it, sometimes we back down and say no,
6 I'll bid on a different one.

7 Through The Estates -- I know what you're
8 asking. You're saying through The Estates is it --

9 So, we know if one us is bidding on a
10 property, then the others go back for another, or
11 we find a different property.

12 Q. And then The Estates takes a finders fee
13 from the bidder who decides to bid?

14 A. If it's a successful bid, if it's
15 successful and we confirm on it.

16 Q. Does that person have to use Tonya Newell
17 to bid?

18 A. No, I can go down and bid myself, and I
19 have many times before.

20 Q. Do you log that information into The
21 Estates database; do you say, I'm bidding on this
22 property and this is what I'm going to pay?

23 A. Have I, no, I have not. It's possible,
24 yeah.

25 Again, we talk a lot, so we know who is

1 working on what properties. That's one of the
2 reasons for having our meetings. We talk about
3 what properties, so if someone brings up a specific
4 property, we understand that's the one they are
5 pursuing.

6 Q. Is there any requirement if you get
7 information on a property from The Estates
8 database, that you tell The Estates that this is
9 where you learned about it?

10 A. Yeah, if I find a property through The
11 Estates, then I am going to pay a finders fee for
12 that, that's part of my commitment to them.

13 Q. And part of your commitment is that you're
14 not going to bid on a property with another Estates
15 member, against another member?

16 A. Right.

17 Q. At these meetings, do people ever talk
18 about what the best way to bid at a homeowner
19 association foreclosure is, what the best price to
20 pay is, or increments, or those sorts of things?

21 A. We talk about all kinds of things. You
22 can either bid one dollar over the other person's
23 bid, or 5 percent over, something like that, or if
24 you really like a property, you can jump the bid
25 up, and secure it that way.

1 Q. Does the Estates offer any advice on how
2 to bid?

3 A. We all offer advice.

4 Q. It has meetings --

5 A. It's roundtable discussion; we're all
6 talking.

7 Q. Does The Estates itself offer advice; in
8 other words, in our opinion, a good price to bid on
9 this property would be X?

10 A. Sure, we all offer advice.

11 Q. Through the database or through the
12 communications, does The Estates say, based on our
13 analysis, this is a good price for the property, or
14 you shouldn't pay more than X?

15 A. We can pay whatever we want to pay. If it
16 works for us, that's what we pay. We are all
17 educated.

18 Q. Does The Estates provide any information
19 to educate you, do they --

20 A. It's an education company.

21 Q. Is one of the things they educate you
22 on -- for example, your communications with the
23 De Leons, you talked about your estimate of what
24 the equity in their property is?

25 A. Correct.

1 Q. I think you testified that you had no idea
2 whether or not the information regarding this
3 property came from The Estates database?

4 A. We can find it from all different kinds of
5 ways. Could he have gotten it, yes. Could he have
6 gotten it on his own, he better have.

7 Q. As far as your knowledge, this deal was
8 not subject to a 6 percent finders fee?

9 A. You have to ask Mbeja. It probably was.

10 Q. It probably was, but you don't know?

11 A. Correct, I would have to say it probably
12 was.

13 Q. Why do you say it probably was?

14 A. Because he's part of The Estates, and if
15 The Estates gave him this property, he would pay
16 them the finders fee, or a partnership fee, or he
17 would pay something.

18 MR. WHITE: We'll take a short break.

19 (Whereupon a brief recess was taken.)

20 (Exhibit 5 is marked for
21 identification.)

22 BY MR. WHITE:

23 Q. I'll show you what has been marked as
24 Exhibit 5. Do you recognize that?

25 A. Yes.

1 Q. What is it?

2 A. It's a notice I put on the door so if I
3 miss the homeowner, they can call me back so we can
4 discuss their property.

5 Q. Who drafted this?

6 A. Stephanie.

7 Q. Who directed her to draft it?

8 MS. ROBERTS: Objection. Attorney-client
9 privilege.

10 MR. WHITE: I'm not asking anything about
11 communication, just who directed her to draft
12 this.

13 A. I have no idea.

14 Q. Who gave you --

15 A. Actually, Mbeja did, probably.

16 Q. Had you ever seen documents similar to
17 this before?

18 A. Hm'hum.

19 Q. Tell me when that was?

20 A. Well, this is a standard notice that I put
21 on the door, like I said.

22 So, I need to know if there are tenants in
23 there, if they're military, if there's something I
24 need to know.

25 But I need to communicate with whoever is

1 living in that house. They just had their house
2 sold -- not sold, but confirmed at auction.

3 Q. When you say it's a standard notice, who
4 standardized --

5 A. Again, standard, what you're asking me, if
6 it's standard in the industry, I don't know. This
7 is something I have used before.

8 Q. You have used it?

9 A. Hm'hum.

10 Q. But you didn't direct Ms. Cooper to draft
11 it, correct?

12 A. Stephanie drafted it, and probably it was
13 on Mbeja's request. And I don't know if Stephanie
14 sent it to me, or Mbeja sent it to me.

15 Q. So, this is a document, to your knowledge,
16 that only Mbeja uses?

17 A. I don't know who uses it. Stephanie
18 represents investors. Possibly she has used
19 something similar in other situations.

20 I know this is specific to their property.
21 It has their address directly on it. It's
22 identifying who we are, who they are, what the
23 situation is.

24 Q. Do you know if either Craig Brooksby or
25 The Estates, LLC was involved in any way in

1 drafting this?

2 A. I don't know.

3 Q. When was the first time you saw a notice
4 to respond in this form?

5 A. You're asking for a date?

6 Q. No, when was the first time you recall
7 seeing one of these?

8 A. Probably a few months ago on another one,
9 and if you ask which one, I'll say I don't know.

10 Q. Had you worked on a homeowner association
11 foreclosure, or any foreclosure, or an ordinary
12 foreclosure where you went to negotiate with a
13 homeowner and you didn't have this notice to
14 respond?

15 A. There could have been. I, generally, have
16 it. If I don't get to talk to them, it's my notice
17 that gives them the understanding that something
18 happened and we need to communicate.

19 Q. Does that mean every investor you've
20 worked with has been represented by Ms. Cooper?

21 A. Not every investor. Again, I know lots of
22 investors. Have I done negotiations outside of
23 things, yes, but not using --

24 Well, within the group of The Estates,
25 that specific investor club, I believe this has

1 been the only form that I have used. There could
2 be different forms. I don't know. This is the one
3 I recognize.

4 Q. Do you know if Ms. Cooper is the attorney
5 for The Estates, LLC?

6 A. She's the attorney for lots of investors,
7 not just The Estates. She works with some of us.
8 She works with outside investors. She's a very
9 good attorney.

10 Q. To your knowledge, she's the attorney for
11 The Estates, LLC?

12 A. She's one them. I assume there are
13 others.

14 Q. There's handwriting on the bottom of that
15 notice?

16 A. Yes, I wrote that.

17 Q. Do you write the same message on every
18 notice to respond?

19 A. Something similar. The exact same, no.
20 It's the same gist.

21 Q. Did someone tell you that this is the best
22 way to phrase your first note to the homeowner?

23 A. Did somebody tell me what to write, no.
24 Different people say --

25 No, this is a general notice that says I

1 to the auctions and acquires properties for us.

2 Q. And she is paid something for doing that?

3 A. If the bid is successful, she gets a
4 commission, which means she does a lot of
5 properties for free.

6 Q. Will The Estates arrange connections of
7 lenders to investors?

8 A. Sometimes.

9 Q. And they are paid to do that?

10 A. Are The Estates paid, I don't know, not
11 that I know of. I find them on my own, personally.

12 Q. Does The Estates have to approve any bid
13 made on a property found in The Estates database?

14 A. Do they have to tell me what I can and not
15 bid on a property; is that what you're asking?

16 Q. No, can you bid at all. Do they have to
17 approve, saying yes, no, you can go bid on this
18 property because they cleared it in terms of the
19 other investors?

20 A. Again, we don't cross bids. If someone is
21 interested in a property, I'm not going to bid
22 against them, or will they bid against me. That's
23 probably within the organization.

24 But if one person decides no, I don't want
25 to, then the other two or three decide that they

1 MS. ROBERTS: I have two questions.

2 EXAMINATION

3 BY MS. ROBERTS:

4 Q. One of the questions that Mr. White asked
5 you was regarding you not bidding against other
6 people that were in The Estates.

7 He asked you if that was part of a
8 commitment, to not bid, or whether you're just
9 doing that as part of your integrity.

10 I didn't understand your answer to that
11 question.

12 A. I will not bid against someone else
13 bidding on The Estates. If somebody else finds the
14 property, I will not go in and bid against them.

15 Q. Is that something that you're prohibited
16 from doing?

17 A. It's an agreement that we make within The
18 Estates. But it's also something I would not do.
19 It's not ethical.

20 Q. To you, personally?

21 A. To me personally. If I did want to bid on
22 it, I would call that person, and I have, to say
23 are you still interested in this particular
24 property, in which case they might say, no, I'm
25 not, and go for it. And I'll say okay.

NOTICE TO RESPOND

DATE: June 26, 2019

TO: Brian C. Williams and/or Current Occupants

ADDRESS: 344 Red Elm Dr. Durham, NC 27713

NOTICE IS HEREBY GIVEN THAT the property described above was sold at a foreclosure sale on or about May 23, 2019 and Versa Properties, LLC was the confirmed high bidder.

If you are the owner of the property, or the child, spouse or parent of the owner of the property, and you fail to respond, then an action may be initiated to remove you and all other occupants, along with all personal property from the premises after the bid is paid and the foreclosure sale is completed.

If you are a tenant of the former owner of the property, and not the child, spouse or parent of the former owner of the property, then you may be entitled to additional rights as provided under N.C.G.S. § 45-21.33A. This may include the right to remain on the property for 90 days from the date of receipt of this notice before eviction proceedings are initiated against you. You may also have additional rights and this notice should not be construed inconsistently with those rights. In order for a determination to be made as to what rights you may have under the North Carolina General Statutes, you must forward to our office the following information within ten (10) days from receipt of this letter:

- Your full name and contact information;
- A copy of your written lease, if applicable;
- Proof of your monthly rental amount;
- Proof that all monthly rental payments due under the lease have been paid to date;
- The names of all occupants of the subject property who are over 18 years of age;
- Indicate whether you receive any assistance under the Section 8 Housing Program of the Department of Housing and Urban Development ("HUD") or any similar governmental program; and
- If you have an oral leasehold agreement, in addition to the above information, provide an affidavit that includes the date you entered into the lease or rental agreement, the names of all parties who entered into such agreement, the term of such agreement, the monthly rental amount and whether the utilities are being paid by the landlord.

Please remit evidence/documentation by mail to:

Cooper Legal Firm PC
5620 Concord Parkway S #103
Concord, NC 28027

I represent the investor who recently won your house in the HOA foreclosure auction. I may be able to help you stay in your home. Please call me asap to avoid legal proceedings.

*Thank you -
Carolyn Smith*

0854-1580

STATE OF NORTH CAROLINA
COUNTY OF MECKLENBURG

IN THE MATTER OF THE PROPOSED
FORECLOSURE OF CLAIM OF LIEN
FILED BY

Barkley Property Owners Association

against

Mike Gustafson and Karen Brotschol,

RECORDED June 27, 2016
IN DOCKET # 16-M-4689
IN THE OFFICE OF THE CLERK OF SUPERIOR
COURT FOR MECKLENBURG

IN THE GENERAL COURT OF JUSTICE
19-SP-2667

**MOTION TO SET ASIDE
FORECLOSURE SALE**

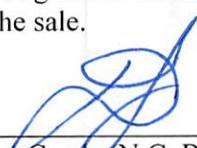
The undersigned appointed Substitute Trustee moves the Court to set aside the Foreclosure Sale held on June 25, 2020 in the above-referenced matter on the following grounds:

1. Barkley Property Owners Association, Inc. ("the Association") filed this foreclosure on August 21, 2019.
2. On October 7, 2019, an order for foreclosure was entered.
3. The sale was conducted and the report of sale was filed on June 25, 2020. (attached hereto as Exhibit 1).
4. Several bids were filed.
5. On August 17, 2020, the last upset bid was filed (Exhibit 2).
6. The sale was confirmed or fixed on September 6, 2020.
7. On September 1, 2020, a demand letter was sent via certified mail to the final bidder, NC-Bidding2 LLC.
8. On September 9, 2020, a second demand letter was sent to NC-Bidding2 LLC.
9. NC-Bidding2 LLC asked for 30-day extension, which was denied.
10. On November 30, 2020, attorney David Matheny wrote the attached e-mail informing the trustee that his client, NC-Bidding2 LLC, was not going to honor the bid. Instead, he claimed "we worked with the wife, Karen, who owned 50% of the property. She deeded her interest to my client." (all e-mails with Mr. Matheny are attached hereto as Exhibit 3).
11. Karen Brotschol and Mike Gustafson, the homeowners, are divorced. Karen Brotschol does not reside at the property subject to this foreclosure ("the Property"). Mike Gustafson and the former couple's two boys reside at the Property.

12. Mike Gustafson informed the trustee that Carolyn Souther with NC-Bidding2 LLC contacted him and threatened that he and his children would be evicted in three days and offered cash in exchange for a deed to the Property. Carolyn Souther reportedly made these threats (documented in text messages) knowing she had not paid what she bid, knowing she had no deed to the property, and knowing the laws allow people certain rights regarding eviction and she could not get the family evicted in three days. Souther stopped contacting the father, Mr. Gustafson, after he said he would call the police.
13. After Carolyn Souther's threats to the children's father failed, she turned to Karen, the mother and ex-wife who does not live at the Property.
14. According to what Mrs. Brotschol told this trustee, Carolyn Souther called and told her that the Property was being "auctioned" the next day and there was a closing. Mrs. Brotschol also said Souther told her the children and the father would be evicted in three days. Those reported representations are false. Mrs. Souther then said an eviction can be avoided if Mrs. Brotschol deeds her interest to the property to Souther for \$10,000. Carolyn Souther reportedly made these threats and false representations knowing she had not paid what she bid, knowing she had no deed to the property, and knowing the laws allow people certain rights regarding eviction and she could not get the family evicted in three days. Tragically, the mother, being fooled to believe the children would be evicted, elected to deed her interest in the Property where the children reside to Souther for \$10,000 in cash. On September 28, 2020, the mother signed a general warranty deed to the Property to Carissa, LLC, another one of Souther's "businesses". The deed was drafted by attorney David Matheny and was recorded on September 29, 2020 (Exhibit 4). Souther's reported false representation to Mrs. Brotschol that an auction was imminent is corroborated by the fact that she called the trustee's office numerous times the day after Mrs. Brotschol sold her children's home asking to talk to someone about the status of the auction. She also sent the e-mail attached as Exhibit 5 that clearly shows she was led to believe falsely that an auction was imminent.
15. In trying to figure out what happened, the trustee learned from Mr. Gustafson about online reporting of Souther being involved in suspicious activity. The trustee researched Souther and identified a lawsuit is pending in federal court in the Middle District of North Carolina against Souther and others alleging bid rigging. (*Williams et al v. The Estates, LLC, Carolyn Souther et al*, Case No.: 19-1076).

WHEREFORE, the Substitute Trustee respectfully moves the Court to set aside the June 25, 2020 sale and preliminary report filed the same day and to allow the Trustee to reschedule and hold the sale. The Substitute Trustee asks that the deposit filed by NC-Bidding2 LLC be awarded to the Association to cover the costs associated with having to set aside and re-do the sale.

October 16, 2020



Diana Coada (N.C. Bar # 45114)
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