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13 Attorneys for Plaintiffs Bradley B. Larsen, as
14 Trustee of the Brad and Cindy Larsen Loving
Trust; Jimmy R. Bunch, Jr.; Steven J. Woodward;
15 Sun Holdings, LLC; and Daniel Todd

16 **UNITED STATES DISTRICT COURT**
17 **CENTRAL DISTRICT OF CALIFORNIA, SOUTHERN DIVISION**

19 BRADLEY B. LARSEN, as Trustee of
the BRAD AND CINDY LARSEN
20 LOVING TRUST, et al.

21 ,
22 Plaintiffs,

23 vs.

24 COLDWELL BANKER REAL
ESTATE CORPORATION, a
California corporation, doing business
25 as COLDWELL BANKER
COMMERCIAL AFFILIATES, INC.,
26 et al.

27 Defendants.

CASE NO. SACV 10-00401 AG
(MLGx)

**DECLARATION OF CLIFF
FREEMAN IN SUPPORT OF
PLAINTIFFS' MOTION FOR
CLASS CERTIFICATION**

Date: December 5, 2011
Time: 10:00 a.m.
Crtrm.: 10D

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1 DECLARATION OF CLIFF FREEMAN RE CLASS CERTIFICATION

2 I, Cliff Freeman, declare as follows:

3 1. On behalf of Sun Holdings, LLC, I am an investor in two of Real Estate
4 Partners, Inc.’s (“REP”) investment funds. I have personal knowledge of the facts
5 set forth herein, which are known by me to be true and correct, and if called as a
6 witness, I could and would competently testify thereto.

7 2. In 2003, I was contacted by phone by a representative of Coldwell
8 Banker Real Estate Partners (“CB/REP”). I was told that CB/REP was selling
9 shares in a Coldwell Banker investment fund. I was also told that the fund was
10 going to purchase undervalued or distressed real estate properties across the United
11 States, which would then be renovated and ultimately sold at a profit. Moreover, I
12 was told that CB/REP was selling investments backed by Coldwell Banker.

13 3. I had never heard of CB/REP or REP before I was contacted, but I had
14 heard of Coldwell Banker and knew it was a respected and well established name in
15 the real estate industry.

16 4. Some time after that initial phone call from the CB/REP representative,
17 I was sent some written materials in the mail including brochures and a private
18 placement memorandum regarding the investment. When I saw the Coldwell Banker
19 logo prominently featured in the brochures I was reassured, as it supported
20 CB/REP’s claims that it was affiliated with Coldwell Banker and selling shares in a
21 Coldwell Banker investment fund.

22 5. Shortly after I received the written materials from CB/REP, the
23 representative followed up with another phone call. I was urged to purchase my
24 shares quickly, as they said they were in high demand and the shares in each fund
25 were limited. At that point, the representative also emphasized that I would receive
26 dividend checks on my investments and that the investments would ultimately be
27 rolled into a REIT which would be sold on the stock exchange.

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1 6. Given all the marketing materials I received with Coldwell Banker’s
2 logo on it, and CB/REP’ s repeated statements that they were affiliated with
3 Coldwell Banker, I believed their representations to be true. Had it not been for the
4 use of the Coldwell Banker name, a name which I recognized as a national, well-
5 respected presence in the real estate industry, I would not have invested in the funds.

6 7. I invested in Real Estate Partners Unit Investment Business Trust I in
7 approximately June 2003. I purchased 15 shares at \$10,000 per share, for a total
8 investment of \$150,000.

9 8. I received dividend checks from CB/REP and newsletters which
10 discussed the progress the funds and their investments were making. It seemed like
11 all of the promises CB/REP made to me were accurate, so I invested more money in
12 additional funds when I was contacted by CB/REP again.

13 9. I then invested in Real Estate Partners Income Fund III in
14 approximately July 2004. I purchased 2 shares at \$10,000 per share, for a total
15 investment of \$20,000.

16 10. I seek to be appointed as a representative of the following Class, as
17 well as of any appropriate Sub-Class that Plaintiffs may propose in the future:

18 All persons and entities that paid money to invest in any of the REP
19 Investment Funds (namely, the “INCOME FUND I”; “INCOME
20 FUND II”; “INCOME FUND III”; “UNIT INVESTMENT
21 BUSINESS TRUST I” “UNIT INVESTMENT BUSINESS TRUST
22 II”; “EQUITY FUND”; and/or the “GROWTH FUND”.) Excluded
23 from the Class are the named Defendants, as well as Real Estate
24 Partners, Inc. (aka REP), Coldwell Banker Commercial Real Estate
25 Partners (aka CB/REP), Coldwell Banker Commercial American
26 Spectrum (aka CB/AS), Orange Coast Commercial Inc. (“OCC”), and
27 all of their current and former officers, directors, management
28 employees, successors, and wholly or partly owned subsidiaries or

1 affiliated companies; class counsel and their employees and members;
2 all persons within the third degree of relationship to any of them and
3 any judge who hears or decides any matter in this litigation.

4 11. As a result of these events, I retained the law firms of Newhouse
5 Seroussi and Spiro Moss LLP to pursue class action litigation on my behalf and on
6 behalf of other investors like me.

7 12. I understand that, as a representative of the members of the Class in this
8 action, I have a fiduciary obligation to act at all times in the best interests of the
9 members of the Class. I also understand that, as a representative of the members of
10 the Class, I have agreed to prosecute this case to its conclusion, no matter how long
11 that may take. I agree to accept those responsibilities and will perform them to the
12 best of my ability. I have kept myself apprised of significant events in this
13 litigation, and have communicated regularly with my counsel.

14 13. I have not been offered, nor have I received, any compensation or thing
15 of value for serving as a proposed representative of the Class. Nor has anyone
16 promised or guaranteed that, in the future, I will receive any extra compensation for
17 serving as a representative of the Class, in the event of a Class recovery.

18 14. I am aware of no unique legal and/or factual issues which must be
19 litigated on my behalf with respect to the claims for which certification is sought in
20 this action.

21 15. To my knowledge, there are no conflicts which exist between my
22 interests in this action and the interests of the other members of the Class which
23 would impair my ability to serve as the representative of the members of the Class
24 in this action.

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1 I declare under penalty of perjury under the laws of the United States of
2 America that the foregoing is true and correct.

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4 Executed 8/19, 2011, at Farmington, NM.

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Cliff Freeman