

December 21, 2017

Virginia Banderet
Internal Auditor/Risk Management
EquityLifestyles, Inc
7310 North 16th St, Suite 300
Phoenix, AZ 85020

RE: Suspicious activity indicating possible embezzlement

Dear Ms. Banderet:

I am sure by now you have conducted an internal investigation into the listing and sales of homes at Falcon Wood Village in Eugene, OR. I am guessing you have come across the fact that Community Managers Bill and Ginger Allard as well as ELS Oregon Properties Manager Jeff Wehrung have been listing homes under Carefree Sales and then selling them through the company they own, Innovative Home Solutions, Inc.

The key question for you and those they exploited is who actually got the money. Did Innovative Homes Sales, Inc. share the massive profits they have made with ELS or did they pocket them for personal financial gain?

I represent through a duly-executed Advocacy Authorization document Wilma Tunison and Roberta Stacy. Both women had asked Bill and Ginger Allard that the park, that being Equity LifeStyle, Inc. through its subsidiary Carefree Sales, to sell their homes for them. Bill executed and provided to them Exclusive Listing Contracts naming Carefree as the designated seller on their behalf. When their homes were sold the sales agreements named Innovative Home Solutions, Inc. as the seller. We suspect that this may, among other things, constitute embezzlement and/or fraud. We do know that the monies for these sales went to Innovative (aka the Allards and Mr. Wehrung).

There is no doubt whatsoever that these are not isolated sales. We also now have documentation that when Bill, Ginger and Jeff sold homes they also financed some through their company Innovative Home Solutions, Inc. This has been an ongoing pattern for at least seven years. I do not have to tell you as things now appear that among other things these actions can lead to civil lawsuits by those victimized and criminal charges being lodged by various government entities. It will also result in subsequent media coverage and perhaps legislative action to halt such scams. The concept of elder abuse by way of exploitation rings loud-and-clear and given that these people are agents of ELS it applies to your company as well.

As the respective investigations being conducted by the State of Oregon, ELS, and myself move forward do not be surprised if more acts of exploitation and fraud are revealed. I believe in light of the evidence that ELS make a good-faith gesture to make these ladies "whole". We believe that both women who are in their 90's be compensated for the money they were swindled out of; Ms. Tunison \$8,000.00 and Ms. Stacy

\$15,500.00. I am certain that customary releases of liability and a non-disclosure agreement would be forthcoming if the right thing in the circumstances is recognized and undertaken by ELS.

This offer of recompense is good until January 15, 2018. After that additional actions will be pursued.

Let me thank you in advance for the courtesy of a reply to this offer and a thank-you for alerting you, if you don't already know that employees of yours may have committed multiple acts of embezzlement. If the embezzlement be true then we expect that Bill Allard, Ginger Allard, and Jeff Wehrung be terminated and no longer handling any of the operational affairs of Falcon Wood Village by not later than January 31, 2018. It will convey that ELS took appropriate internal actions because it was unaware of what was going on and acted appropriately.

Respectfully yours,
James Houston, Ed. D, QMHP, former investigator for the State of Arizona
FWV Site 17
Authorized Advocate for Wilma Tunison and Roberta Stacy.

*USPS mailing and email conducted on December 21, 2017