

PHILIP B. MAISE
12-118 KIPUKA STREET
PAHOA, HAWAII 96778
TELEPHONE NUMBER: 808-965-1828

To: Paul Sulla ESQ
PO Box 5258
Hilo HI 96720
psulla@aloha.net

Defendant Horowitz et al C/O
John Carroll, ESQ.
345 Queen Street Suite 607
Honolulu HI 96813

Reference: Cecil Loran Lee

Subjects: Payoff of Note Due 01/15/2009

Aloha Mr. Sulla,

Welcome to the fray. You are now I believe the 9th attorney to represent Lee since I first met him. I hope this letter brings you up to speed as quick as possible.

My involvement with Lee first began as a potential property buyer, and then as a federal witness in his federal case. My litigation began when I launched a suit against Lee for failure to disclose information effecting a property he tried to sell me. The attached proposed affidavit details case number, judgment balances, and payoff amounts.

Lee eventually sold his home to the Royal Bloodline of David (RBD) and a \$350,000 Note was executed between the two.

Lee filed a suit against the RBD for foreclosure. Foreclosure was denied and three judgments came out of that case. All told Lee was left owing roughly \$200,500 to the RBD.

Open suits cases that I am aware of are: My garnishment order against RBD. My writ of execution to seize and sell the Note. RBD's judgment against Lee. Lee's malpractice suit against 3 of his prior attorneys that lost cases against me. Your appearance to a certain extent is a surprise since I have been expecting Lee to file yet another malpractice suit against the attorney he used in his latest cases. I have been receiving continual communications regarding other suits that attorney is currently embroiled in.

I will be preparing more exact figures in a filing I will be making shortly. I will send you a courtesy copy.

Total Amount Due From Royal Bloodline of David to Loran Lee

Principle Due	\$350,000.00
Payment Due 12/15/2008	\$2,333.33
Payment Due 01/15/2009	\$2,333.33
2 Late Payment Charges	\$233.33
Judgment in favor of Lee \$400	\$400.00
Estimate of Interest Due on the \$400	\$30.00
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	\$355,329.99

Total Amount Due From Loran Lee To Philip Maise

Total Due On All Three Judgments as of 1/15/2009 \$149,512.08*

*Interest per day due after 1/15/2009 is \$39.01

Total Amount Due From Loran Lee to Royal Bloodline of David

Jury award	\$200,000**
Attorney Fees	\$900. (Approximate)
Interest From Award	\$10k-\$18k (Depends on date used)
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	\$210,900 to \$218,900

** Your client may think that the \$200,000 award was removed since the Court granted a motion he made regarding questions to the Jury. Lee was granted his Motion, however, the Court never modified the final judgment, it is apparently too late to ask it to do so, and it is too late to appeal. Therefore, my calculations indicate your client now has a negative equity position in the Note.

The RBD is opening an escrow account with First American Title to handle the payoff of the Note. First American Title Company in Hilo, Hawaii. Escrow agent Michelle Pokipala. 1438 Kilauea Avenue, Hilo HI 96720. Phone 808-961-3775 Email mpokipala@firstam.com.

Lee is not expected recognize the facts as they stand. His continual losses could have been stopped years ago. However, he chose to ignore all settlement offers, and only countered by starting more litigation that got him in deeper.

Currently I am drafting an order to be signed by the Court that will extinguish the outstanding judgments against your client in exchange for satisfaction of the judgments against him.

Here is how we are proceeding.

1. Maise shall prepare the following documents and submit them to escrow. A statement certifying the amount owed to him by Lee. A Satisfaction of Judgment for his three judgments against Lee. A Release upon the property of Lien document indicating that any lien he holds upon the Property has been extinguished. A document to be filed in Circuit Court that informs the Court in cases 3cc01-0444 and 3cc05-1-0235 that the Judgments have been paid in full and that the Garnishment Order is extinguished. Directions to escrow as to where to send payments/documents. Other documents that may be required by Escrow
2. The Court shall provide a Satisfaction of Mortgage releasing Lee's lien against the property. That Court shall provide a Satisfaction of Judgment Affidavit for Lee's \$400 judgment against the RBD. (Most likely one document.)
3. The RBD shall prepare a Satisfaction of Judgment Affidavit. Other documents that may be required by Escrow
4. As soon as possible thereafter, the escrow company shall record paperwork at Hawaii's Bureau of Conveyances, and disburse the funds to pay off the three judgments to Maise including per diem interest charges that have accumulated.

Note: The above scheduled plan is subject to change and I reserve the right to take action against any party(s) according to law. The RBD may also want to continue to have an open judgment against Lee for unpaid interest not collected in escrow.

Please advise if you will submit a formal notice of appearance, and if so, which cases you intend to appear in. Please check Hooiki for all case numbers.

DATED: Hilo, Hawaii this 21st, day of January, 2009.

PHILIP B. MAISE, pro se

Intervenor

For your information, here is the break down on the amount owed to Maise by Lee.

PROPOSED AFFIDAVIT OF INTERVENOR

1. My name is Philip Maise of 12-118 Kipuka Street, Pahoa HI 96778.
2. That this Affidavit is based upon my personal knowledge, Court Records, and that I affirm I am competent to testify to the matters stated there in.
3. That I Philip Maise being duly sworn, deposes and says that I am the Movant in the foregoing action, that I have read the foregoing MOTION and am familiar with the contents thereof, that same is true of my own knowledge except as to those matters as may therein be alleged upon information and belief as to those matters, I believe them to be true.
4. That all figures and information in this Affidavit are true and accurate to the best of my knowledge.
5. The Defendant was once the owner of a property located at 13-3775 Kalapana Highway, Pahoa HI 96778 (Property).
6. That after a failed real estate transaction, in which I was to buy the Property, I filed a suit against the Defendant for breach of contract and fraud. The case was 3CC01-1-0444.
7. That while my suit was in progress, the Defendant sold the Property to an organization called the Royal Bloodline of David.
8. Under the terms of the sale, a promissory note (Note) in the amount of \$350,000 was executed between the Defendant and the Royal Bloodline of David. This Note required the Royal Bloodline of David to make regular interest only monthly payments of \$2333.33 to the Defendants. The Note had a clause wherein a balloon payment becomes due on January 15th, 2009. The Note was secured by a mortgage against the Property that made the Defendant first lien holder.
9. That subsequent to the recording of the Note and Mortgage against the Property, I obtained my first judgment against the Defendant in the amount of \$173,437.77, on September 30, 2004, which is subject to statutory interest. The judgment made me first lien holder until my judgment was paid in full.
10. That I utilized the judgment to obtain a Garnishment order that required the Royal Bloodline of David (Garnishee) to begin making their monthly payments to me.
11. That to date, the Garnishee has paid to me \$116,749.84 in accordance with the Note. This has decreased the amount owed to me against my first judgment against the Defendant from \$173,437.77 down to \$116,642.87 as of November 20th, 2008. That with 10% statutory interest, the balance owing against this debt will grow at \$31.96/day. These figures are subject to adjustment based upon any future payments made by the Garnishee.
12. That after I won my first judgment, the Defendant filed suit against my partner Didier Flament and me. The suit claimed I committed fraud in obtaining my first judgment. This suit was case 3CC05-1-000235. That as a consequence of this suit, I obtained two additional judgments on October 25th, 2006 against the Defendant. One was a judgment specifically to me, and one was a judgment to my partner Didier Flament. He subsequently assigned his

judgment to me. The total of these two additional judgments was \$25,783.94, plus statutory interest. I have not received any payments for these two judgments. As of November 20th, 2008 the balance due against these judgments has grown to \$30,577.68. At 10% statutory interest this balance due is growing at \$7.05 per day.

13. In total, for the three judgments I hold against the Defendant, the balance owing as of November 20th, 2008 is \$147,327.52. It is growing at \$39.01 per day. These figures are subject to adjustment based upon any future payments made against the debts.
14. The Defendant attempted to appeal both suits he lost to me and those appeals have been concluded and my judgments still stand. The cases that gave rise to my judgments against the Defendant cannot be overturned.
15. That I retained an attorney to assist me in the collection of the debts owed to me by the Defendant. That the attorney fees I have incurred along the way to assist me in this collection attempt include fees associated with representation by my attorney in this case, consultation with my attorney to prevent the Defendant from escaping from my judgments against him when he fled into bankruptcy, and fees incurred in my Writ of Execution civil action SP NO. 05-1-0052.
16. There are two remaining monthly interest only payments of \$2333.33 due according to the note on December 15th, 2008 and January 15th, 2009.
17. That owing to a payment received late for October 15th, 2008 that there is a 5% late fee due in the amount of \$116.67. That an additional late charge is expected to be due owing to the fact that December 15th, 2008 payment has not yet been received.
18. That I will release my lien against the Property, and extinguish my Garnishment Order, upon satisfaction of my first judgment against the Defendant.
19. That I will provide a satisfaction of judgment to the Defendant upon satisfaction of my judgments.

DATED: Hilo, Hawaii this 21st, day of January 2009.

PHILIP B. MAISE, pro se

Intervenor