

Message

From: Patrick Starley [pstarley@cielopef.com]
Sent: 2/19/2016 2:14:09 PM
To: Farley Dakan [/O=MACKPAZZ/OU=First administrative group/cn=Recipients/cn=fdakan]
Subject: Re: meet up soon

Original email from Gitcho to me in 2013 stating that I needed to meet someone he met about this Buffington deal.

Patrick J. Starley
CEO & Managing Partner
CIELO PRIVATE EQUITY
500 N. Capital of Texas Highway
Building 3, Suite 100
[Austin, Texas 78746](#)
Office Tel [512.328.0000](#)
Fax [512.328.9410](#)

On Feb 19, 2016, at 8:12 AM, Farley Dakan <fdakan@mackinacpartners.com> wrote:

?

From: Patrick Starley [<mailto:pstarley@cielopef.com>]
Sent: Friday, February 19, 2016 8:11 AM
To: Farley Dakan <fdakan@mackinacpartners.com>
Subject: Fwd: meet up soon

See below.

Patrick J. Starley
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Begin forwarded message:

From: Greg Gitcho <greg.gitcho@archercreek.com>
Date: June 15, 2013 at 10:03:18 PM CDT
To: "Patrick J. Starley (pstarley@cielopef.com)" <pstarley@cielopef.com>
Subject: meet up soon

Hey Patrick-

Let's circle up again soon ... we need to meet up w/ this guy. I just met him the other day and he pursues operating companies, many of which are real estate related. Obviously thought of the Buffington effort.

<http://www.mackinacpartners.com/people/farley-dakan/>

I hope all is well. Chat soon.

-Greg

Greg W. Gitcho
Archer Creek
512.698.6019
greg.gitcho@archercreek.com

Message

From: James Weissenborn [/O=MACKPAZZ/OU=FIRST ADMINISTRATIVE GROUP/CN=RECIPIENTS/CN=JWEISSENBORN]
Sent: 12/18/2014 3:34:13 AM
To: Farley Dakan [/O=MACKPAZZ/OU=First administrative group/cn=Recipients/cn=fdakan]
Subject: Re: How'd it go?

Thanks

Sent from my iPhone

On Dec 17, 2014, at 9:56 PM, Farley Dakan <fdakan@mackinacpartners.com> wrote:

Exactly. I'll ping you tomorrow after morning meeting.

W. Farley Dakan
Mackinac Partners
Managing Director
816 Congress Ave
Suite 1280
Austin, TX 78701
512.410.1207 ofc
512.921.0950 mbl
fdakan@mackinacpartners.com

On Dec 17, 2014, at 8:50 PM, "James Weissenborn" <jweissenborn@mackinacpartners.com> wrote:

We should chat re latter because similar to 4 square.

Sent from my iPhone

On Dec 17, 2014, at 9:47 PM, Farley Dakan <fdakan@mackinacpartners.com> wrote:

Good. Talked a lot about strategy and operations. Tomorrow's meeting will be telling.

On a separate note, went to a meeting with Hayman Capital late today that I need to share with you. They are about to go activist on UDF and want us to be on standby. Very interesting stuff.

W. Farley Dakan
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512.921.0950 mbl
fdakan@mackinacpartners.com

On Dec 17, 2014, at 7:39 PM, "James Weissenborn"
<jweissenborn@mackinacpartners.com> wrote:

Sent from my iPhone

Message

From: James Weissenborn [/O=MACKPAZZ/OU=FIRST ADMINISTRATIVE GROUP/CN=RECIPIENTS/CN=JWEISSENBORN]
Sent: 6/6/2015 4:16:33 PM
To: Farley Dakan [/O=MACKPAZZ/OU=First administrative group/cn=Recipients/cn=fdakan]
Subject: various

My thoughts are with you and your family this weekend.

1. I spoke for quite a while with Howard re Cabo and other matters. He thinks it is worthwhile to take Cabo the next steps.
 - a. Lay out a general JV structure to Ken.
 - i. New JV/co
 - ii. Ken contributes some or all of timeshare assets (Land, inventory, etc)
 - iii. DRI will manage/sell and maybe contribute some equity
 - iv. New jv/co will partner with capital provider for development
 - v. Ken/DRI will split profits (levels tbd)
 - b. Project and partner viability
 - i. Financial, lawsuits, etc
 - c. Develop basic New JV/co model to be able to analyze
 - i. New jv/co details (splits, etc)
 - ii. For discussions with potential finance partners
 - iii. For DRI internal discussion

He is willing to spend the money to take to next level. We should discuss development of detailed steps and approaching Ken.

2. Been thinking about UDF /Hayman. MP through you mainly have already provided and continue to provide them quite a bit of value (original idea, structure thoughts, real estate expertise). Question is how do we monetize. Clearly managing the assets and restructuring/liquidating UDF would be a great opportunity for us. But how we get there is not clear to me unless the SEC path materializes. Maybe the surer way to monetize is to sign as an advisor to Hayman and help them push their objectives (you and Greg for instance). Maybe it could be structured as monthly retainer plus success fee tied to their success? Maybe we should discuss with Krause?

Let me know when you surface so we can discuss both of these.

James A. Weissenborn
Mackinac Partners
Co-founder, Managing Partner
180 High Oak, Suite 100
Bloomfield Hills, MI 48304
jweissenborn@mackinacpartners.com
www.mackinacpartners.com

Message

From: Farley Dakan [/O=MACKPAZZ/OU=FIRST ADMINISTRATIVE GROUP/CN=RECIPIENTS/CN=FDAKAN]
Sent: 6/18/2015 1:55:19 AM
To: Keith Maib [/O=MACKPAZZ/OU=First administrative group/cn=Recipients/cn=kmaib]
CC: James Weissenborn [/O=MACKPAZZ/OU=First administrative group/cn=Recipients/cn=jweissenborn]; Todd Zelek [tzelek@gmail.com]; Kevin Bruce [/O=MACKPAZZ/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=KBruce]
Subject: Re: McCartin/Hayman.....

Have a call in to Travis.

W. Farley Dakan
Mackinac Partners
Managing Director
200 Crescent Court
Suite 240
Dallas, TX 75201
512.921.0950 mbl
fdakan@mackinacpartners.com

On Jun 17, 2015, at 8:40 PM, Keith Maib <kmaib@mackinacpartners.com> wrote:

and Perry and Trevor????

Keith Maib
Chief Restructuring Officer
Colt Defense LLC
+1 860.244.1323
kmaib@colt.com

Senior Managing Director
Mackinac Partners, LLC
+1 646.591.4749
kmaib@mackinacpartners.com



From: Dakan Farley <fdakan@mackinacpartners.com>
Date: Wednesday, June 17, 2015 9:38 PM
To: James Weissenborn <jweissenborn@mackinacpartners.com>
Cc: Keith Maib <kmaib@mackinacpartners.com>, Todd Zelek <tzelek@gmail.com>, Kevin Bruce <KBruce@mackinacpartners.com>
Subject: McCartin/Hayman.....

Meeting is set for tomorrow with Hayman, McCartin and me.

Patrick met with the FBI today.

W. Farley Dakan
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fdakan@mackinacpartners.com

Message

From: Todd Zelek [tzelek@gmail.com]
Sent: 8/5/2015 8:31:18 PM
To: Farley Dakan [/O=MACKPAZZ/OU=First administrative group/cn=Recipients/cn=fdakan]
Subject: here's a draft of email from you to jim and me

Heyman Capital is considering raising a \$200 million fund to bid to purchase outstanding distressed debt of UDF affiliated companies. They have approached Mackinac to be a joint venture partner to manage the fund- Heyman would raise the capital and manage the investors and Mackinac would manage the assets. This could be the first of many capital raises.

Benefits

- Significantly expands our relationship with Kyle Bass
- Chance to get into the fund business with a major player
- Opportunity to do expand size of portfolio
- Enhances our credibility in the marketplace
- Fee income not rate time hours

Risks

- May impact our ability to be receiver in UDF although we will attempt to minimize that risk
- Could be a drain on resources

--

Todd Zelek
730 South San Rafael Ave
Pasadena, CA 91105
213-718-8118(c)
866-613-9294 (fax)

Message

From: Farley Dakan [/O=MACKPAZZ/OU=FIRST ADMINISTRATIVE GROUP/CN=RECIPIENTS/CN=FDAKAN]
Sent: 8/6/2015 2:20:23 PM
To: James Weissenborn [/O=MACKPAZZ/OU=First administrative group/cn=Recipients/cn=jweissenborn]
CC: Todd Zelek [/O=MACKPAZZ/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=TZelek]
Subject: Hayman.....

Jim,

Need to discuss the following as well. This came out of my meeting yesterday with them.

Hayman Capital is considering raising a \$200 million sidecar fund to bid to purchase outstanding distressed debt of UDF affiliated companies. They have approached Mackinac to be a joint venture partner to manage the fund- Hayman would raise the capital and manage the investors and Mackinac would manage the assets. This could be the first of many capital raises focused on Special Situations/Credit Opportunities.

Benefits

- Significantly expands our relationship with Kyle Bass
- Chance to get into the fund business with a major player
- Opportunity to expand size of portfolio
- Enhances our credibility in the marketplace
- Fee income not rate time hours

Risks

- May impact our ability to be receiver in UDF although we will attempt to minimize that risk
- Could be a drain on resources

W. Farley Dakan

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fdakan@mackinacpartners.com

From: Jeff Wells <JWells@higwhitehorse.com>
Sent: Tuesday, August 18, 2015 12:56:08 PM
To: Patrick Starley <pstarley@cielopef.com>; Farley Dakan <fdakan@mackinacpartners.com>
Subject: Buffington

Gents - Enjoyed our meeting on Thursday. When you get a chance, can you send over the updated sources and uses on Buffington? Many thanks.

Message

From: Patrick Starley [pstarley@cielopef.com]
Sent: 9/30/2013 10:36:24 PM
To: Farley Dakan [/O=MACKPAZZ/OU=First administrative group/cn=Recipients/cn=fdakan]
Subject: <no subject>
Attachments: Buffington Transaction Chart.pdf

Call me.

Patrick J. Starley
CEO & Managing Partner

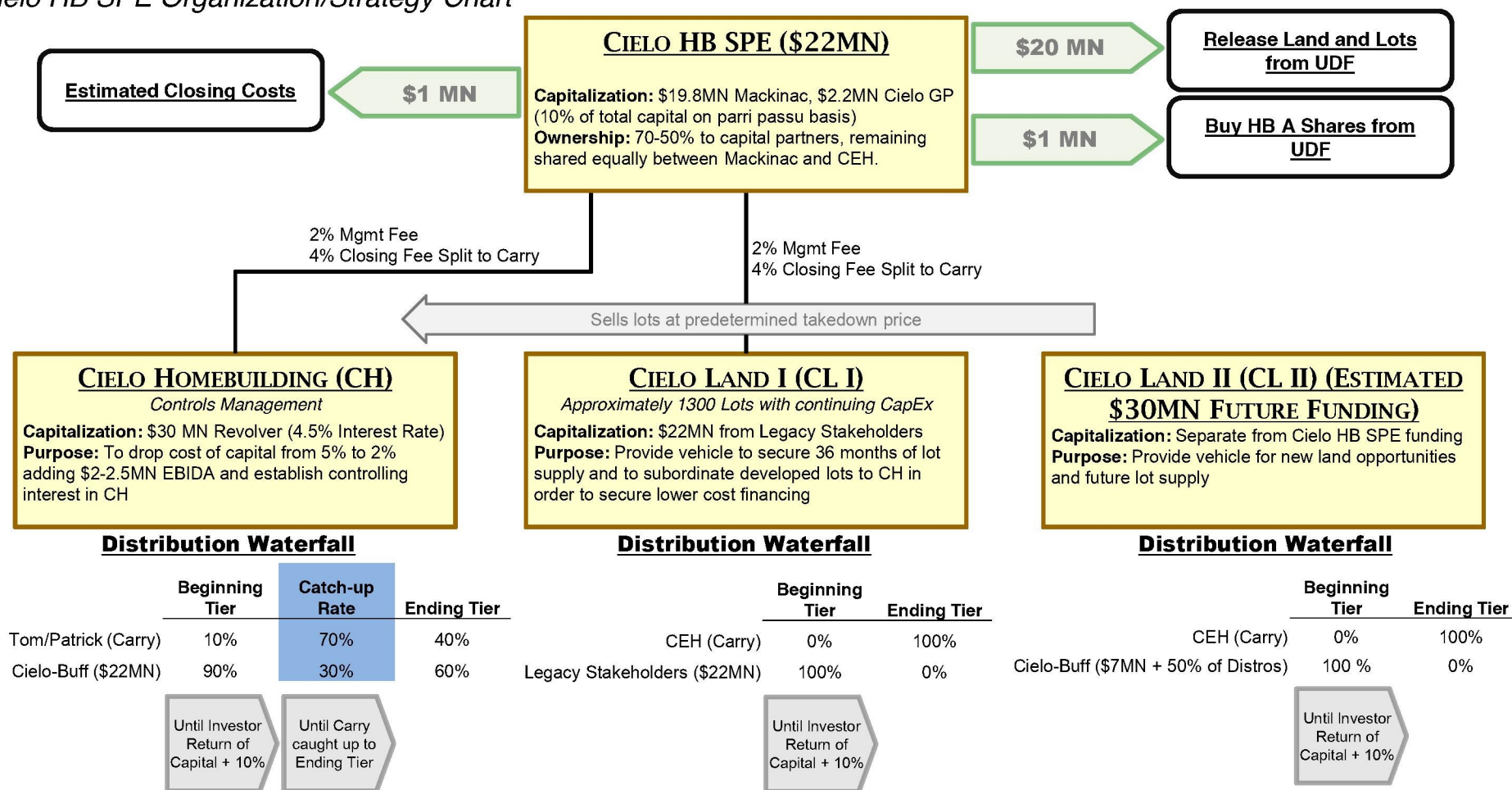


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Cielo HB SPE Organization/Strategy Chart



Critical Path Items

1. Finalize structure and terms with all partners
2. Purpose to Tom Buffington
3. Secure UDF approval
4. Finalize with legacy stakeholders
5. Close

Message

From: alerts [/O=MACKPAZZ/OU=FIRST ADMINISTRATIVE GROUP/CN=RECIPIENTS/CN=ALERTS]
Sent: 10/23/2013 3:29:55 PM
To: Farley Dakan [/O=MACKPAZZ/OU=First administrative group/cn=Recipients/cn=fdakan]
Subject: Message from KMBT_C224
Attachments: SKMBT_C22413102309291.pdf

AGREEMENT FOR NON-CIRCUMVENTION AND NON-DISCLOSURE

Effective as of the date set forth below, Cielo Private Equity, LLC (collectively with all affiliates, officers, members and advisors, "Cielo") and Mackinac Partners (collectively with all affiliates, officers, partners and advisors, "MP") enter into this Agreement for Non-Circumvention and Non-Disclosure of confidential information which may be furnished by either party in the course of discussions concerning Buffington Land Group, Ltd. and its subsidiaries and affiliates, and Buffington Homebuilding Group, Ltd., and its subsidiaries and affiliates (collectively, "Buffington").

1. Whereas, the above parties contemplate discussions concerning a possible business relationship, financial advisory role and/or venture involving Buffington and the existence of these discussions as well as the content of the discussions are of a confidential nature;
2. Whereas, in order to facilitate such discussions, confidential and proprietary information, including but not limited to financial information, plans, documents, drawings, writings, models, materials and know-how (collectively referred to as "Confidential Information") have been or may be disclosed by Cielo to MP.
3. Whereas a part of these discussions may require a disclosure by Cielo to MP, of non-public, sensitive information.

Therefore, in consideration of mutual promises and other terms and conditions set forth herein, the parties mutually agree as follows:

1. That the occurrence of these discussions and disclosure of data shall be deemed Confidential Information and shall not be disclosed by MP to any third party without the prior written consent of Cielo.
2. Both parties agree that all Confidential Information received from/by either party shall be used only for purpose of furtherance of MP acting as a financial advisor to Cielo with regards to Buffington and further agrees that they will not use this information directly or indirectly for another purpose without the prior written consent of the other party.
3. MP agrees to hold all discussions between Cielo and MP confidential from Buffington (including all owners, officers, stakeholders, and employees thereof), and will only disclose such information as is agreed to in advance in writing by Cielo.
4. In the event of a breach of any of the foregoing provisions, the parties agree that the harm suffered by the injured party would not be compensable by monetary damages alone and, accordingly, that the injured party shall, in addition to other available legal or equitable remedies, be entitled to an injunction against such

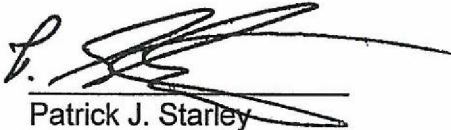
breach, should the injured party so desire.

5. This Agreement shall be construed and enforced in accordance with the laws of State of Texas, USA, and venue for any dispute shall reside in Travis County, Texas. This Agreement shall constitute the entire agreement between the parties with respect to confidentiality of the Confidential Information.
6. This Agreement, including any term hereof, may be amended or terminated only in writing signed by both parties; however, amendment or termination of the agreement will not be effective retroactively, and any introductions or information passed between parties before amendment or termination will be held to the original agreement.
7. This Agreement shall continue in full force and effect for a period of twelve (12) months from the date set forth below. If this Agreement is not renewed by the parties prior to its expiration, MP agrees to return all Confidential Information in its possession to Cielo. Unless expressly authorized otherwise in writing by Cielo, MP agrees to keep all information and discussion confidential notwithstanding the expiration of the term of this Agreement or its earlier termination.
8. If any portion of this Agreement shall be held invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this Agreement is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.
9. This Agreement is binding upon and shall inure to the benefit of the parties hereto and their respective heirs, successors and assigns, and any subsequent holders and/or any transferees. The Persons executing this Agreement on behalf of the parties hereto represent and warrant that they have the authority to bind their respective organizations to this Agreement.
10. This Agreement may be executed in multiple counterparts, each of which shall constitute an original, and all of which shall constitute one and the same agreement.
11. **THIS AGREEMENT CONSTITUTES THE ENTIRE AGREEMENT AMONG THE PARTIES CONCERNING THE SUBJECT MATTER HEREOF, AND ALL PRIOR DISCUSSIONS, AGREEMENTS AND STATEMENTS, WHETHER ORAL OR WRITTEN, ARE MERGED INTO THIS AGREEMENT. THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES AND THIS AGREEMENT MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES.**

Agreed to this the 21st day of October, 2013.



W. Farley Dakan,
Managing Director
Mackinac Partners



Patrick J. Starley
CEO
Cielo Private Equity