EXHIBIT “A”
SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release (the "Agreement") is entered into by and among Cilker Apartments, LLC, William H. Cilker, Sr., Carl A. Cilker, and Elizabeth Cilker Smith, (collectively referred to herein as "Cilker" or "the Cilkers"), and Michael K. Hayde ("Hayde"), the Non-Exempt QTIP Marital Trust of the Glass Family Trust Dated February 18, 1982 (the "Glass Trust"), and Western National Construction, a California corporation ("WNC"). Hereinafter Hayde, the Glass Trust and WNC shall be collectively referred to as the "Defendants."

RECITALS

A. The Cilkers. The Cilkers are the owners of the Premises, as defined below.

B. The Defendants. The Defendants are individuals and entities who were consulted by and/or contracted with the Cilkers in connection with the construction of the Premises.

C. Related Parties. As used in this Agreement, the term "Related Parties" shall mean any heir, executor, administrator, successor, successor-in-interest, affiliate, assignee, assignor, related company, vendee, lessee, subsidiary, agent, employee, former employee, officer, former officer, director, member, shareholder, trustee, beneficiary, owner or alter ego of the party referred to. Specifically included within this definition of Related Parties are all of those entities which comprise the Western National Group and are in any way related to Western National Properties.

D. The Premises. As used in this Agreement, the Premises shall mean the real property, structures and improvements commonly known as the One Pearl Place Apartments in San Jose, California, consisting of an apartment complex with recreation building, patio, pool, landscaping and parking structure. More particularly, the Premises consist of Parcel 2 as described in that certain map, filed for record in Book 672 at Page 15, Santa Clara County Records - APN 458-11-016.

E. The Dispute. As used in this Agreement, the Dispute means claims for damages made by the Cilkers against the Defendants for losses sustained during and as a result of the consultation concerning and construction of the Premises, including claims arising out of alleged personal guarantees (the "Guarantees") by Hayde and Mr. Glass, and alter ego claims allegedly arising out of the relationships of the Defendants with one another.

More particularly, the Cilkers contend that WNC agreed in writing on July 1, 2000 to construct the One Pearl Place Apartments for a guaranteed maximum price (the "Contract"). The Cilkers also allege that certain material inducements and promises were made by Hayde and Mr. Glass, including an alleged promise to personally guarantee any cost overruns on the project. WNC contends that the contract was cost-plus, not guaranteed maximum, and both Hayde and the Glass Trust (on behalf of Mr. Glass) dispute that they made any personal promises or inducements to the Cilkers. Before, during, and now after completion of the Premises, the Cilkers have made claims against the Defendants for losses attributable to poor design, delay in

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construction, defective work, and cost overruns in an amount exceeding fourteen million dollars ($14,000,000). The Defendants dispute that they are responsible for any such claims.

F. Settlement of Dispute. The parties hereto desire as between themselves to settle the Dispute and therefore have agreed as set forth in this Agreement.

NOW, THEREFORE, in consideration of the representations, covenants, conditions and payments as set forth herein, the parties agree to all the terms of this Settlement Agreement and Release.

1. SETTLEMENT AND RELEASE

In consideration of the payment by the Glass Trust of One Million Dollars ($1,000,000) to the Cilkers, payable as set forth in paragraph 2 below:

A. Except as set forth in subparagraph 1.B, below, each party for themselves and all Related Parties does hereby forever release, waive and discharge each other party and their respective Related Parties, from any and all claims, demands, obligations, actions, causes of action, damages, losses, costs or expenses, of any nature whatsoever, known or unknown, past or present, ascertained or unascertained, suspected or unsuspected, existing or claimed to exist, which they, their Related Parties, or any of them have had, now have, or may hereafter have against each other, which arise out of or are in any way connected with: (1) any act, cause, matter or thing claimed in the Dispute; (2) the Contract; (3) and the Guarantees, or which may be based upon, related to, or connected with any of the matters related to the Dispute, Contract or Guarantee. This includes, but is not limited to, any claim which could ever be asserted by the Cilkers against any Defendant herein with the exception of claims against the insurance policies of WNC alone, as more particularly set forth in subparagraph 1.B.

B. Excepted from this Settlement and Release are any and all claims that exist or may arise out of defects in the design or construction of the Premises against WNC only ("Excepted Claims"), which claims shall not be and are hereby not released or waived. Such Excepted Claims are expressly released and waived as against all Defendants and their respective Related Parties other than WNC. However, any damages based on such Excepted Claims shall be strictly limited to insurance proceeds paid under any insurance policies issued to WNC and/or its subcontractors (collectively "WNC Policies"). Any amount of damages in excess of or excepted from coverage under the WNC Policies is hereby released and waived. The Cilkers hereby expressly agree and warrant that they will never attempt to pursue any of the Defendants or their Related Entities (other than WNC alone) for any such Excepted Claims, and with respect to WNC, hereby expressly warrant and agree that they will never pursue any claim against WNC directly which is not covered by WNC Policies. This includes an express warranty and agreement that if the Cilkers pursue any such matter to judgment, they will never attempt to levy upon any assets of WNC.

2. PAYMENT FORM

Payment to the Cilkers shall be made by cashier's check payable to "Cilker Apartments, LLC," which check shall be delivered to Hoge, Fenton, Jones & Appel, Inc. ("Hoge,
Fenton"), not later than five days following receipt by Green & Hall of this Agreement, executed by the Cliks or and approved by Hoge, Fenton. Hoge, Fenton shall be free to deliver said check to the Cliks upon its receipt of this Agreement, signed by the Defendants, or within 10 days of the delivery of this Agreement to Green & Hall, signed by the Cliks, whichever is earlier.

3. ACKNOWLEDGEMENT OF COMPROMISE

All parties acknowledge and agree to this Agreement as a complete compromise of matters involving disputed issues of law and fact and fully assume the risk that the facts or laws may be other than they believe.

4. DENIAL OF LIABILITY

Each party denies liability in connection with and as a result of the Dispute. Each party, however, desires to resolve the claims between and among them arising out of the Dispute without the necessity of litigation between and among them. This Agreement is a compromise of disputed claims and does not and shall not constitute an admission of liability or wrongdoing.

5. WAIVER OF FUTURE CLAIMS

Subject to the limitations set forth in subparagraph 1.B above, the release set forth herein is a full, final and general release of any and all claims, demands, obligations, actions and causes of action relating to, or arising out of, or in any way connected with the Contract, the Personal Guarantees, and the Premises, including but not limited to the facts and events giving rise to the Dispute, whether or not now known or suspected to exist, or whether or not specifically or partially described herein. Each party expressly waives, for themselves and their Related Parties, any right or claim of any right to assert hereafter that any claim, demand, obligation or cause of action has, through ignorance, oversight or error, been omitted from the terms of this Release. Subject to the limitations set forth in subparagraph 1.B, above, each party expressly waives any right or claim of right they may have under the provisions of California Civil Code Section 1542, which they understand provides as follows:

A general release does not extend to the claims which the creditor does not know or expect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

It is acknowledged and understood by the parties that the foregoing waiver of the provisions of section 1542 of the California Civil Code was separately bargained for. They agree that this release shall be given full force and effect in accordance with each and all of the expressed terms and provisions including those terms and provisions relating to unknown and unsuspected claims to the same effect as those terms and provisions relating to other claims herein specified.

6. RELIANCE ON OWN JUDGMENT

Each party relies wholly on his, her or its own investigation and respective judgment as to the extent of any damages any of them have sustained or may sustain in the
future. No party to this Agreement has been influenced by any statement by any other party to this Agreement and no party has made any representation upon which another has relied in entering into this Agreement, other than as set forth in this Agreement.

7. UNDERSTANDING OF AGREEMENT

Each party affirms and acknowledges that each has read this Agreement and had it fully explained by counsel of choice, and that each fully understands and appreciates the words and terms used in this Agreement and their effect, and that this is a full and final compromise, release and settlement of all claims, demands, actions or causes of action, known or unknown, suspected or unsuspected, and that each signs this Agreement of their own free will.

8. REPRESENTATIONS AND WARRANTIES

As an integral and material part of this Agreement, each party represents and warrants as follows:

A. That to the best of their knowledge they are the sole owners of each and every action, cause of action, claim, demand, damage or controversy which is described in this Agreement as the Dispute.

B. That each signatory hereto is duly authorized to execute this Agreement for himself, herself, and any entity upon whose behalf they sign, and that this Agreement as so executed will be binding upon each party and all Related Parties, as defined above.

C. That to the best of their knowledge the Dispute, causes of action, claims, demands, damages and controversies which are described in this Agreement are free and clear from any pledges, charges, equitable, claims, covenants, liens or encumbrances.

D. That there are no persons or entities other than the parties hereto to whom any action, cause of action, claim, demand, damage or controversy arising out of or relating in any manner to any injuries or damages sustained by any party as a result of the Dispute.

E. That this Settlement Agreement constitutes a legal, valid and contractual obligation binding on each party hereto and all Related Parties, and is enforceable in accordance with its terms.

F. The representations and warranties set forth above shall endure forever and shall survive any investigation made by or on behalf of any party, regardless of any actual or constructive knowledge on the part of any such party with respect to the truth or accuracy of any such representation or warranty.

9. GOVERNING LAW

This Settlement Agreement and Release shall be governed by and construed in accordance with the laws of the State of California. In the event that it shall be necessary for any party hereto to institute legal action to enforce any of the terms and conditions or provisions
10. **PARTIAL INVALIDITY**

Should any part, term, provision or portion of this Agreement be declared by a court to be illegal or in conflict with any law of the State of California or the United States, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining parts, terms, portions or provisions shall be deemed severable and shall not be affected thereby, provided such remaining portions and provisions shall be construed in substance to constitute the agreement that the Parties intended to enter into in the first instance, as hereinabove described.

11. **ENTIRE AGREEMENT**

This Agreement supersedes all prior agreements and understandings, whether written or oral, of the parties hereto relating to the subject hereof and incorporates the entire understanding of the parties with respect thereto. This Agreement may be amended and any right or condition hereunder waived only by a written instrument signed by the party against whom such amendment or waiver is sought to be enforced. In the event of any uncertainty with regard to any terms of this Agreement, such uncertainty shall be resolved fairly and in accordance with the intent of the parties as set forth herein, and without regard to which party caused such uncertainty to exist, or which party drafted the Agreement. Each party and counsel for each party have reviewed and revised this Agreement and Release, and the normal rule of construction that any ambiguities in this Agreement and Release are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement and Release.

12. **COUNTERPART SIGNATURES**

This Agreement may be executed in any number of counterparts, with the same effect as if all parties have signed the same document, and each such executed counterpart shall be deemed to be an original instrument, but all such executed counterparts together shall constitute one and the same instrument. True and correct copies may be used in lieu of the original.

**IN WITNESS WHEREOF,** each of the parties hereto have executed this Settlement Agreement and Release of all claims on the day and year written before.

Cilker Apartments, LLC

By: William H. Cilker, Sr., Manager

Dated __________________

William H. Cilker, Sr.

Dated __________________

Carl A. Cilker

Dated __________________
contemplated herein, or for any breach thereof, the prevailing party in such action shall be entitled to costs and reasonable attorney's fees.

10. PARTIAL INVALIDITY

Should any part, term, provision or portion of this Agreement be declared by a court to be illegal or in conflict with any law of the State of California or the United States, or otherwise be rendered unenforceable or invalid, the validity of the remaining parts, terms, provisions or portions shall be deemed severable and shall not be affected thereby, provided such severing would not prejudice the purposes and intent of the parties to constitute the agreement that the Ciphers and the Defendants intended to enter into in the first instance, as hereinabove described.

11. ENTRUST AGREEMENT

This Agreement supersedes all prior agreements and understandings, whether written or oral, of the parties hereto relating to the subject hereof and incorporates the entire understanding of the parties with respect thereto. This Agreement may be amended and any right or condition hereunder waived only by a written instrument signed by the parties against whom such amendment or waiver is sought to be enforced. In the event of any uncertainty with regard to any terms of this Agreement, such uncertainty shall be resolved fairly and in accordance with the intent of the parties as set forth herein, and without regard to which party caused such uncertainty to exist, or which party drafted the Agreement. Each party and Interest for each party have reviewed and modified this Agreement and Release, and the normal rule of construction that any ambiguities in this Agreement and Release are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement and Release.

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IN WITNESS WHEREOF, each of the parties hereto have executed this Settlement Agreement and Release of all claims on the day and year written below.

Ciphers Apartments, LLC

[Signature]

Date: 3/28/04

By: William H. Ciphers, Sr., Manager

[Signature]

Date: 3/28/04

William H. Ciphers, Sr.

[Signature]

Date: 3/28/04

Carl A. Ciphers

[Signature]

Date: 3/28/04

Edward Ciphers Smith

[Signature]

Date: 3/28/04

Witness
Western National Construction,
a California corporation.

By: James Gilby, President

DATED ______________________

APPROVED AS TO FORM AND CONTENT:

HOCE, FENTON, JONES & APPEL, INC.

By: Michael D. Medveczky, Attorney
   for Gilmar Apartments, LLC, William E.
   Gilmar, Sr., Chad A. Gilmar and Elizabeth
   Gilmar Smith

DATED ______________________

GREEN & HALL

By: Robert H. Green, Attorney for Michael
   E. Hoyle and Western National
   Construction

DATED ______________________

WNC147198
Elizabeth Cilker Smith

Michael K. Hayde

The Non-Exempt QTIP Marital Trust of the Glass Family Trust dated February 18, 1982

Jacqueline M. Glass as trustee of the Non-Exempt QTIP Marital Trust of the Glass Family Trust dated February 18, 1982

Western National Construction, a California corporation

By: James Gilly, President

Dated 3/24/06

APPROVED AS TO FORM AND CONTENT:

HOGE, FENTON, JONES & APPEL, INC.

By: Michael D. McSweeney, Attorneys for Cilker Apartments, LLC, William H. Cilker, Sr., Carl A. Cilker and Elizabeth Cilker Smith

GREEN & HALL

By: Robert E. Green, Attorney for Michael K. Hayde and Western National Construction

Dated 3/27/06