BEFORE THE DEPARTMENT OF CORPORATIONS

OF THE STATE OF CALIFORNIA

In the Matter of the Request of LARRE JAYE SCHLARMANN, SCHLARMANN ASSOC., INC., SCHLARMANN AND ASSOCIATES, INC., BEAR MANOR, INC., ACCOMMODATION BY RESERVATION, INC., BEAR MANOR TOO, BEAR MANOR CABINS, JANET KAY'S BED AND BREAKFAST, NORTHWOODS RESORT HOLDINGS, L.P., NORTHWOODS PREFERRED INCOME FUND, INVESTORS PREFERRED INCOME FUND, SECURED INVESTORS MORTGAGE FUND, HOTEL MANAGEMENT, INC., HMI, INC., HMI INCOME FUND, L.P., NADM, EQUITIES, INC., INVESTMENTS MANAGEMENT, INVESTMENTS, MGT., P.S. RESTAURANT MANAGEMENT, INC., PSR CORPORATE INCOME FUND I, L.P., and LAKEVIEW INVESTMENT FUND, Respondents, to THE COMMISSIONER OF CORPORATIONS OF THE STATE OF CALIFORNIA, Complainant, for a hearing pursuant to Section 25532 of the Corporate Securities Law of 1968.	OAH No. L-1998050134 File No.: ALPHA STIPULATED SETTLEMENT Hearing: 7/1/98 at 10:00 a.m. 7/2/98 at 10:00 a.m. Employment Dev Dept. 151 North Lyon Ave. Hemet, CA 92543 Main Conference Rm.

The parties to this action, COMPLAINANT, THE COMMISSIONER OF CORPORATIONS OF THE STATE OF CALIFORNIA, and RESPONDENTS, SCHLARMANN ASSOC., INC.; SCHLARMANN AND ASSOCIATES, INC.; LARRE JAYE SCHLARMANN; BEAR MANOR, INC.; ACCOMMODATION BY RESERVATION, INC.; BEAR MANOR TOO; BEAR MANOR CABINS; JANET KAY'S BED AND BREAKFAST; NORTHWOODS RESORT HOLDINGS, L.P.; NORTHWOODS PREFERRED INCOME FUND; INVESTORS PREFERRED INCOME FUND; SECURED INVESTORS MORTGAGE FUND; HOTEL MANAGEMENT, INC.; HMI, INC.; HMI INCOME FUND, L.P.; NADM, EQUITIES, L.P.; INVESTMENTS MANAGEMENT; INVESTMENTS MGT.; P.S. RESTAURANT MANAGEMENT, INC.; PSR CORPORATE INCOME FUND I, L.P.; and LAKEVIEW INVESTMENT FUND ("RESPONDENTS"), wishing to save time and expenses from further litigation of this matter, stipulate as follows:

1. RESPONDENTS hereby withdraw their request for a hearing before the Office of Administrative Hearings and waive any further right to appeal, in any forum, the issuance of the Desist and Refrain Order that is the subject matter of this proceeding. In withdrawing their request for a hearing and waiving their rights of appeal, RESPONDENTS admit no violation, liability, fault or breech of any statute, regulation or order.

2. COMPLAINANT stipulates that nothing in the Desist and Refrain Order is intended to prevent RESPONDENTS from offering and selling any security pursuant to a qualification or to any exemption from the qualification requirement under the Corporations Code.

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3. COMPLAINANT further stipulates that nothing in the Desist and Refrain Order is intended to be a statement as to the integrity of RESPONDENTS, their officers or agents, or of the investment potential of any security that RESPONDENTS might offer now or in the future, including the investments subject to the Desist and Refrain Order.

4. Each signatory hereto covenants that he possesses all the necessary capacity and authority to sign and to enter into this Stipulation.

DATED: 6/25/98

DALE A. BONNER
Commissioner of Corporations

By: _____
MARK E. HARMAN

DATED: 6/24/98

_____
LARRE JAYE SCHLARMANN
Respondent

DATED: 6/24/98

SCHLARMANN ASSOC., INC.; SCHLARMANN AND ASSOCIATES, INC.; BEAR MANOR, INC.; ACCOMMODATION BY RESERVATION, INC.; HOTEL MANAGEMENT, INC.; HMI, INC.; INVESTMENTS MANAGEMENT; INVESTMENTS MGT. and P.S. RESTAURANT MANAGEMENT, INC.
Respondents

By: _____
LARRE JAYE SCHLARMANN
President

(Additional signatures on next page)

DATED: 6/24/98

NORTHWOODS RESORT HOLDINGS, L.P.; NORTHWOODS PREFERRED INCOME FUND; INVESTORS PREFERRED INCOME FUND; SECURED INVESTORS MORTGAGE FUND; HMI INCOME FUND, L.P.; NADM, EQUITIES, L.P.; BEAR MANOR TOO; BEAR MANOR CABINS; JANET KAY'S BED AND BREAKFAST; PSR CORPORATE INCOME FUND I, L.P.; and LAKEVIEW INVESTMENT FUND
Respondents

By: _____
LARRE JAYE SCHLARMANN
Managing Partner

Approved as to form and content
DATED: 6/24/98

_____
MARK R. MCDONALD, ESQ.
Attorney for Respondents