

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION

_____	)	
UNITED STATES SECURITIES	)	
AND EXCHANGE COMMISSION,	)	
	)	Civil Action No. 18-CV-5587
Plaintiff,	)	
v.	)	
	)	Hon. John Z. Lee
EQUITYBUILD, INC.,	)	
EQUITYBUILD FINANCE, LLC,	)	
JEROME H. COHEN, and	)	Magistrate Judge Young B. Kim
SHAUN D. COHEN,	)	
	)	
Defendants.	)	
_____	)	

**ORDER GRANTING RECEIVER’S SECOND MOTION FOR  
APPROVAL OF THE SALE OF CERTAIN REAL ESTATE AND AVOIDANCE  
OF CERTAIN MORTGAGES, LIENS, CLAIMS, AND ENCUMBRANCES**

WHEREAS, this Court took exclusive jurisdiction and possession of the assets of EquityBuild, Inc. ("EquityBuild"), EquityBuild Finance, LLC ("EquityBuild Finance"), their affiliates, and the affiliate entities of Defendants Jerome Cohen and Shaun Cohen (collectively, the "Receivership Defendants") by Order Appointing Receiver, dated August 17, 2018 ("Order Appointing Receiver") (Dkt. No. 16);

WHEREAS, this Court's Order Appointing Receiver identified Chicago Capital Fund I, LLC and Chicago Capital Fund II, LLC as additional Receivership Defendants;

WHEREAS, this Court's March 14, 2019 Order identified 7026 Cornell Inc. as an additional Receivership Defendant;

WHEREAS, EquityBuild is the owner of record of the real estate located at 5955 South Sacramento Avenue ("5955 South Sacramento"), 6001-05 South Sacramento Avenue ("6001-05 South Sacramento"), 7834-44 South Ellis Avenue ("7834-44 South Ellis"), and 701-13 South 5th

Street ("701-13 South 5th"), whose commonly known addresses, permanent index numbers, and legal descriptions are contained on Tab A hereto;

WHEREAS, Chicago Capital Fund I, LLC is the owner of record of the real estate located at 7301-09 South Stewart Avenue ("7301-09 South Stewart") and 3030-32 East 79th Street ("3030-32 East 79th"), whose commonly known addresses, permanent index numbers, and legal descriptions are contained on Tab A hereto;

WHEREAS, Chicago Capital Fund II, LLC is the owner of record of the real estate located at 2909-19 East 78th Street ("2909-19 East 78th"), whose commonly known address, permanent index number, and legal description is contained on Tab A hereto;

WHEREAS, 7026 Cornell Inc. is the owner of record of the real estate located at 7026 South Cornell Street ("7026 South Cornell"), whose commonly known address, permanent index number, and legal description is contained on Tab A hereto;

WHEREAS, the Court finds that the sales prices reflected in the Purchase And Sale Agreements that the Receiver has accepted for the conveyances of 5955 South Sacramento, 6001-05 South Sacramento, 7834-44 South Ellis, 701-13 South 5th, 7301-09 South Stewart, 3030-32 East 79th, 2909-19 East 78th, and 7026 South Cornell (collectively, the "Properties") are consistent with the fair market value of the properties;

WHEREAS, Kevin B. Duff, as receiver ("Receiver") for the Receivership Defendants, has filed a Second Motion For Approval Of The Sale Of Certain Real Estate And The Avoidance Of Certain Mortgages, Liens, Claims, And Encumbrances (the "Motion"); and

WHEREAS, the Court finds that Receiver has given fair, adequate, and sufficient notice to all interested parties, including all mortgagees affected by the Motion.

NOW, THEREFORE, it is hereby ORDERED that:

1. The Receiver's Motion is GRANTED.

2. The Receiver is authorized to sell the real property and improvements at 5955 South Sacramento free and clear of that certain Mortgage recorded February 4, 2016, as Document No. 1603550261 and given by EquityBuild to Diana Johan; iPlanGroup Agent for Custodian FBO Alcalli Sabat Traditional IRA; VIP Plus Money Purchase Plan DTD 02/14/09; Robert A. Demick DDS PA 401K; the Moore/Ferrer Family 2004 Trust; Shelton Family Trust; 1839 Fund I, LLC; Liberty Quest Investment Group, LLC; Vartan Tarakchyan, Trustee for Defined Benefits Pension Plan; John McDevitt; Steven Bald; iPlanGroup Agent for Custodian FBO Jacqueline Rowe IRA; DVH Investment Trust; James Factor; Timothy Sharp; Matthew T. Boyd; Lawrence Daly, a married man as his sole and separate property; Dennis Hennefer and Mary Ann Hennefer; and Arthur Bertrand to secure a promissory note in the originally stated principal amount of \$1,250,000.00, with said Mortgage avoided from title and attaching to the sales proceeds with the same force, validity, status, and effect, if any, as it had prior to the sale.

3. The Receiver is authorized to sell the real property and improvements at 6001-05 South Sacramento free and clear of that certain Mortgage recorded February 4, 2016, as Document No. 1603550262 and given by EquityBuild to New Direction IRA, Inc. FBO Joel Beyer, IRA; Asians Investing in Real Estate LLC; TMAKINDE, LLC; iPlanGroup Agent for Custodian FBO Alcalli Sabat IRA; Arthur L. Bertrand and Dinah F. Bertrand; Denton Real Estate Company Inc. 401K; Duke E. Heger and Viviana Heger; GRB Properties, LLC; CZE Holdings, LLC; Joseph P. McCarthy; iPlan Group Agent for Custodian FBO Fereeda Seunath IRA; iPlanGroup Agent for Custodian FBO Fereeda Seunath ROTH IRA; LMJ Sales, Inc.; Aluvelu Homes, LLC; Equity Capital Resources, LLC; Towpath Investments LLC; PFFR Trust; Self-Directed IRA Services Inc. FBO James Clements; Brad Lutz and Linda Lutz; and The Entrust Group Inc. FBO Marjorie Jean

Sexton IRA # 7230013060 to secure a promissory note in the originally stated principal amount of \$835,000.00, with said Mortgage avoided from title and attaching to the sales proceeds with the same force, validity, status, and effect, if any, as it had prior to the sale.

4. The Receiver is authorized to sell the real property and improvements at 7834-44 South Ellis free and clear of that certain Mortgage recorded January 13, 2017, as Document No. 1701318122 and given by EquityBuild to Grand Mountain; iPlanGroup Agent for Custodian FBO Rebecca Blust IRA; Patricia J Theil C/F Jacqueline M Theil; Samuel Home Solutions, LLC; Kelly Welton, Successor Trustee of the Robert N. Andrews Separate Property Trust dated January 21, 2000 -- Survivor's Sub-Trust (Mary M. Andrews Trust); Daniel Lewis & Deborah Lewis JTWROS; PNW Investments, LLC; iPlanGroup Agent for Custodian FBO Laura Sohm IRA; iPlanGroup Agent for Custodian FBO Kevin Bybee IRA; The Darlene Horton Employee Profit Sharing Plan 401(k) Trust; JFKN Investment Trust; Kevin Chang; Lawrence Daly as his sole and separate property; Matthew P. Hutchings; IRA Services Trust Company CFBO Jean-Marc Cabrol; Optima Property Solutions, LLC; Vladimir Matviishin; Vladimir Matviishin, dba Network Expert; Harendra Pal; iPlanGroup Agent for Custodian FBO David Trengove IRA Account#3300951; iPlanGroup Agent for Custodian FBO William Jack Needham IRA Account#3300944; Alan Rubin; Madison Trust Company Custodian FBO Zahra Mofrad IRA Michael & Gretchen Grant JTWROS; iPlanGroup Agent for Custodian FBO Richard L. Braddock IRA; The Entrust Group Inc FBO Gregory Snyder IRA# 7230001137, Duane A. Degenhardt and Linda S. Degenhardt, Quantum Growth Holdings, LLC, Joseph P. McCarthy, Paul Franklin, Trustee F&A, Inc. Solo 401K, Fredric R. Gottlieb, Revocable Trust, DTD 7 /31/08, Leonard A. Grosso, Jason Park, Asians Investing In Real Estate, LLC; Omega Property Investments, Inc.; Pat Desantis; Jerome Shaffer; and Madison Trust Company Custodian FBO Brent Jacobs.

5. The Receiver is authorized to sell the real property and improvements at 701-13 South 5th free and clear of:

a. that certain Mortgage recorded October 14, 2016, as Document No. 1628815082, re-recorded December 12, 2016, as Document No. 1634734074, and given by EquityBuild to Andrew Matviishin; Vladimir Matviishin; Aluvelu Homes, LLC; MidAtlantic IRA, LLC FBO Charles McEvoy IRA; Karl R. DeKlotz; Matthew Boyd, Trustee of Toramba Trust (ROTH); JLO Enterprises, LLC; John Love; Clove, LLC; Equity Trust Company Custodian FBO Terri Shelton Account # 200338949 IRA; Madison Trust Company Custodian FBO Deborah Buffamanti M1512506; iPlanGroup Agent for Custodian FBO James Sullivan IRA; The Kingdom Trust Company, Custodian FBO Girish Juneja IRA; Equity Trust Company custodian FBO Mary Patricia Alexander Brum traditional IRA; Robert A. Demick DDS PA 401k; EquityBuild, Inc.; The Entrust Group Inc, FBO Dee Ann Nason, 7230011277; Grathia Corporation; Equity Trust Company Custodian FBO Kathy Talman IRA; Kingsley Properties, LLC; iPlanGroup Agent for Custodian FBO William Jack Needham IRA Account#3300944; iPlanGroup Agent for Custodian FBO Ed Bancroft IRA; Levent Kesen; Samuel Home Solutions, LLC; Ramsey Stephan; Kester Brothers Farm, LLC; Teton Equity Group, LLC; Jacqueline C. Rowe; Peter P. Nuspl; NEHASRI LTD; iPlanGroup Agent for Custodian FBO Frank Sohm IRA; Annie Chang; Naveen Kwatra; PNW Investments, LLC; Alex Breslav; TruStar Real Estate, LLC; Madison Trust Company Custodian FBO Brian Shaffer Account# M1608073; Jerome Shaffer; and The Kingdom Trust Company, Custodian FBO Rashmi Juneja IRA to secure a promissory note in the originally stated principal amount of \$2,250,000.00; and

b. that certain Lis Pendens recorded July 2, 2018, as Document No. 1818318076 in favor of Anson Markell, as Trustee for the Amark Investment Trust.

6. The Receiver is authorized to sell the real property and improvements at 7301-09 South Stewart.

7. The Receiver is authorized to sell the real property and improvements at 3030-32 East 79th.

8. The Receiver is authorized to sell the real property and improvements at 2909-19 East 78th.

9. The Receiver is authorized to sell the real property and improvements at 7026 South Cornell free and clear of:

c. that certain Mortgage recorded January 21, 2016, as Document No. 1602156228 and given by EquityBuild to John B. Allred and Glenda K. Allred; DVH Investment Trust; iPlanGroup Agent for Custodian FBO Rosa Ricciardi IRA; Angelo Ricciardi and Rosa Ricciardi; Terry L. Merrill and Sheryl R. Merrill; IRA Services Trust Company CFBO Steven Lipshultz IRA; IRA Services Trust Company CFBO Linda Lipshultz IRA; Alex Breslav; Paul N. Wilmesmeier; Optima Property Solutions, LLC; Asians Investing In Real Estate, LLC; Quest IRA FBO Michael E. Thomas Roth IRA Acct. No. 18201-11; Denton Real Estate Company Inc. 401k; Equity Trust Company Custodian FBO Joseph Kennedy IRA; Joseph Kennedy; Shelton Family Trust; Equity Trust Company Custodian FBO Linda A. Smith IRA; iPlanGroup Agent for Custodian FBO Brett Burnham IRA; 2nd City Solo 401K Trust; CZE Holdings, LLC; Yaron Fisher; South Florida Realty Management & Investments; and EquityBuild to secure a promissory note in the originally stated principal amount of \$1,700,000.00;

d. that certain Assignment of Mortgage from 2nd City Solo 401K Trust to The Entrust Group FBO Daniel Matthews IRA Acct No. 51-01005, recorded October 13, 2017, as Document No. 1728613036; and

e. that certain Lis Pendens recorded July 2, 2018, as Document No. 1818318076, in favor of Anson Markell, as Trustee for the Amark Investment Trust.

10. The Receiver is hereby vested with full power and authority to execute any and all closing documents associated with the conveyances of the Properties, including, but not limited to, deeds, bills of sale, affidavits of title, and settlement statements.

11. The proceeds from the sales of 7301-09 South Stewart, 3030-32 East 79th, and 2909-19 East 78th shall be held in the Receiver's account and remain available for operating expenses associated with the Receivership.

12. The proceeds from the sales of 5955 South Sacramento, 6001-05 South Sacramento, 7834-44 South Ellis, 701-13 South 5th, and 7026 South Cornell shall be held by the Receiver in separate subaccounts for which the Receiver shall maintain an accounting as to all sums deposited therein, and shall not be available for operating expenses of the Receivership nor for any other expense or distribution, absent further order of Court.

Entered:



---

The Honorable John Z. Lee

Date: 10/15/19