

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES SECURITIES
AND EXCHANGE COMMISSION,

Plaintiff,

v.

EQUITYBUILD, INC.,
EQUITYBUILD FINANCE, LLC,
JEROME H. COHEN, and
SHAUN D. COHEN,

Defendants.

Civil Action No. 18-CV-5587

Hon. John Z. Lee

Magistrate Judge Young B. Kim

**ORDER GRANTING RECEIVER'S EIGHTH MOTION TO CONFIRM
THE SALE OF CERTAIN REAL ESTATE AND FOR THE AVOIDANCE
OF CERTAIN MORTGAGES, LIENS, CLAIMS, AND ENCUMBRANCES**

WHEREAS, by Order Appointing Receiver, dated August 17, 2018 (Docket No. 16) this Court took exclusive jurisdiction and possession of the assets of all Receivership Defendants;

WHEREAS, by Order entered March 14, 2019 (Docket No. 290), this Court identified SSDF7 Portfolio 1 LLC ("SSDF7") and SSPH 6951 S Merrill LLC ("SSPH 6751 S Merrill) as Receivership Defendants;

WHEREAS, SSDF7 is the owner of record of the real property and improvements located at 7600-10 South Kingston, Chicago, Illinois 60649 ("7600-10 South Kingston") and 7656-58 South Kingston Avenue, Chicago, Illinois 60649 ("7656-58 South Kingston"), for which the legal descriptions and permanent index numbers are contained on Tab A hereto;

WHEREAS, SSPH 6751 S Merrill is the owner of record of the real property and improvements located at 6949-59 South Merrill Avenue, Chicago, Illinois 60649 ("6949-59");

South Merrill"), for which the legal description and permanent index number is contained on Tab A hereto;

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

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

NOW, THEREFORE, it is hereby ORDERED that:

1. The Motion is GRANTED.
2. The Receiver is authorized to sell the real property and improvements at 7600-10

South Kingston free and clear of:

- a. that certain Mortgage recorded February 4, 2016 as Document No. 1603550265 in favor of Equity Trust Company Custodian FBO John Allred IRA Account No 125952, as to a 1.39% interest; Equity Trust Company FBO Glenda K. Allred IRA Account No. 187991, as to a 0.19% interest; Equity Trust Company Custodian FBO Carly A. Allred Roth IRA Account No. 163781, as to a 0.14% interest; Fraser Realty Capital, LLC, as to a 0.70% interest; Spectra Investments, LLC, as to a 4.43% interest; Quest IRA Inc. FBO Rebeca E. Savory-Romero IRA Account No. 15528-11, as to a 1.40% interest; iPlanGroup Agent for Custodian FBO Frank Sohm IRA, as to a 0.55% interest; Private Finance Solutions, LLC, as to a 0.82% interest; Arthur Bertrand, as to a 0.61% interest; Equity Trust Company Custodian FBO Paula Levand CESA, as to a 0.65% interest; Don Minchow, as to a 3.86% interest; Asians Investing in Real Estate, LLC, as to a 5.26%

interest; iPlanGroup Agent for Custodian FBO Jason Ragan IRA, as to a 1.04% interest; NuView IRA Inc. FBO Janet Eileen Taylor IRA, as to a 12.63% interest; Towpath Investments, LLC, as to a 0.88% interest; AdvantalRA Trust, LLC FBO Terry Merrill No. 6820601, as to a 2.11% interest; Equity Trust Company Custodian FBO David M. Williams IRA No. Z51886, as to a 0.26% interest; TruStar Real Estate, LLC, as to a 7.37% interest; Vantage FBO Joseph S. Ratkovic IRA No. 16325, as to a 5.26% interest; David Marcus, as to a 31.42% interest; Paul N. Wilmesmeier, as to a 0.88% interest; CM Group, LLC, as to a 3.86% interest; Uyen Dinh, as to a 0.25% interest; Timothy Sharp, as to a 1.75% interest; iPlanGroup Agent for Custodian FBO Stephen J. Apple ROTH IRA, as to a 1.53% interest; Charwin Properties, LLC, as to a 0.18% interest; Nehasri Ltd., as to a 1.86% interest; Janet Eileen Taylor, as to a 1.75% interest; Robert Maione, as to a 3.86% interest; and EquityBuild, Inc., as to a 3.10% interest, to secure a promissory note in the originally stated principal amount of \$2,850,000;

b. that certain Mortgage, that certain Assignment Of Leases And Rents, and that certain Financing Statement recorded May 7, 2018, as Document Nos. 1812734048, 1812734049, and 1812734050, respectively, in favor of Liberty EBCP, LLC to secure a promissory note in the originally stated principal amount of \$18,400,000 (collectively, the "Liberty Security Documents"); and

c. that certain notice of lis pendens recorded August 15, 2018, as Document No. 1822706116 in connection with the case captioned *Michigan Shore Apartments, LLC v. EquityBuild, Inc., SSDF7 Portfolio 1, LLC, [and] Liberty EBCP LLC*, Circuit Court of Cook County, Case No. 2018-CH-09098.

3. The Receiver is authorized to sell the real property and improvements at 7656-58 South Kingston free and clear of:

a. that certain Mortgage recorded January 8, 2015, as Document No. 1500616026 in favor of "The Persons Listed on Exhibit A"; and

b. the Liberty Security Documents.

4. The Receiver is authorized to sell the real property and improvements at 6949-59 South Merrill free and clear of:

a. that certain Mortgage, Assignment Of Leases And Rents, Security Agreement And Fixture Filing recorded September 14, 2017, as Document 1725729063 in favor of Thorofare Asset Based Lending REIT Fund IV, LLC to secure a promissory note in the originally stated principal amount of \$1,540,000;

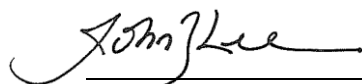
b. that certain Amendments To Mortgages And Cross-Collateralization Agreement dated July 21, 2017, and recorded September 14, 2017, as Document No. 1725729064, entered into by and between SSPH 6951 S Merrill LLC and 1700 Juneway LLC, on the one part, and Thorofare Asset Based Lending REIT Fund IV, LLC, on the other part; and

c. that certain Financing Statement evidencing an indebtedness from SSPH 6951 S Merrill LLC to Thorofare Asset Based Lending REIT Fund IV, LLC, filed September 14, 2017, as Document No. 1725729065.

5. 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.

6. The proceeds from the sales of the Properties shall be held by the Receiver in separate subaccounts for which the Receiver shall maintain an accounting as to all sums deposited therein, with all mortgages, liens, claims, and encumbrances attaching to the sales proceeds with the same force, validity, status, and effect, if any, as they had against the properties being sold, and the sums in the separate subaccounts shall not be available to pay operating expenses of the Receivership nor for any other expense or distribution, absent further order of Court.

Entered: 10/30/20

A handwritten signature in black ink, appearing to read "John Z. Lee", written in a cursive style.

The Honorable John Z. Lee

TAB A

7600-10 SOUTH KINGSTON, CHICAGO, ILLINOIS 60649

LOTS 1, 2 AND 3 IN BLOCK 7 IN SOUTH SHORE PARK, BEING A SUBDIVISION OF THE WEST HALF OF THE SOUTHWEST QUARTER (EXCEPT STREETS) OF SECTION 30, TOWNSHIP 38 NORTH, RANGE 15, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

21-30-309-030-0000

7656-58 SOUTH KINGSTON AVENUE, CHICAGO, ILLINOIS 60649

LOT 18 IN BLOCK 7 IN SOUTH SHORE PARK, BEING SUBDIVISION OF THE WEST HALF OF THE SOUTHWEST QUARTER IN SECTION 30, TOWNSHIP 38 NORTH, RANGE 15 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

21-30-309-026-0000

6949-59 SOUTH MERRILL AVENUE, CHICAGO, ILLINOIS 60649

LOTS 29 AND 39, IN FIRST ADDITION TO BRYN MAWR HIGHLANDS, A SUBDIVISION OF NORTH $\frac{3}{4}$ OF WEST HALF OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 24, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

20-24-417-014-0000