

**IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION**

UNITED STATES SECURITIES AND  
EXCHANGE COMMISSION,

Plaintiff,

v.

EQUITYBUILD, INC., et al.,

Defendants.

Case No. 1:18-cv-5587

Hon. Manish S. Shah

**ORDER GRANTING RECEIVER’S SECOND MOTION  
FOR APPROVAL OF ALLOCATIONS OF FEES TO  
PROPERTIES FOR PAYMENT PURSUANT TO  
RECEIVER’S LIEN**

On September 29, 2022, the Receiver filed his Second Motion For Approval Of Fee Allocations For Interim Payment Pursuant To Receiver’s Lien (Dkt. No. 1321) (“Receiver’s Second Allocation Motion”).

On June 21, 2023, Magistrate Judge Kim entered orders granting the Receiver’s Second Allocation Motion and overruling objections (Dkt. 1490, 1491).

The Court received objections to the Magistrate Judge’s Order (Dkt. 1501, 1502), which are overruled for the reasons stated on the record at a hearing before the Court on July 11, 2023, as well as for the reasons stated by the Magistrate Judge at the hearing held on June 15, 2023, as well earlier rulings of this Court stated on the record on October 17, 2022 and April 26, 2023, (Dkt. 1325, 1450) and in prior memorandum opinions and minute orders (*see, e.g.*, Dkt. 1366, 1371).

Previously, the Court had exercised its equitable discretion to mandate a 20% holdback

on the fees (but not expenses) sought pursuant to the Receiver's Ninth through Sixteenth Fee Applications. The Court also required that to the extent such approved fees were paid from the sales proceeds of encumbered real estate pursuant to the receiver's lien, such payments would be subject to an additional 20% holdback. (Dkt. 1031 at 14, Dkt. 1213 at 9-10; Dkt. 1312 at 3-4) This Court, however, has previously determined that this additional 20% holdback for fees paid pursuant to the receiver's lien from the sales proceeds of encumbered properties is no longer warranted and thus not required for any of the Receiver's fee applications or allocated fees. (Dkt. 1468)

NOW, THEREFORE, the Court hereby finds and ORDERS:

- (1) the Receiver's Second Allocation Motion is granted and all objections thereto are overruled;
- (2) the previously ordered additional 20% holdback for approved fees paid pursuant to the receiver's lien from the sales proceeds of encumbered properties is no longer warranted and thus not required for any of the Receiver's approved fee applications or allocated fees;
- (3) the Receiver shall allocate the total amount of \$366,318.56 of approved fees associated with the Fourteenth through Sixteenth Fee Applications to the accounts for the individual properties as set forth on Exhibit A to this Order;
- (4) the Receiver shall hold back 20% of the total amount of approved fees allocated to each property for the Fourteenth through Sixteenth Fee Applications, pending further order;
- (5) The Court stays distributions related to the Receiver's Second Allocation Motion from the accounts held for 1131 E 79th Place and 7024 S Paxton Avenue, pending

further order;

- (6) after accounting for the 20% holdback, the stay order, and fees allocated to properties that were resolved pursuant to settlements, the Receiver shall transfer to the Receiver's Account without delay the amount available for interim payment from the property accounts for the Fourteenth through Sixteenth Fee Applications, as set forth on Exhibit A to this Order, which cumulatively equals \$284,859.90;
- (7) within 2 business days of transferring funds to the Receiver's Account, consistent with the foregoing, the Receiver shall pay \$284,859.90 to Rachlis Duff & Peel, LLC from the Receiver's Account; and
- (8) the Court reserves final approval of the distribution of the \$74,669.79 of fees held back in accordance with this Order.

Entered:



Manish S. Shah  
United States District Court Judge

Date: July 21, 2023

<b>Prop #</b>	<b>Property Address</b>	<b>Approved Allocations Apps 14-16</b>	<b>20% Holdback Fee Apps 14-16</b>	<b>Additional Holdback (FHFA)</b>	<b>Less Previously Resolved Properties</b>	<b>Amount Approved for Interim Payment Fee Apps 14-16</b>
1	1700-08 W Juneway Terrace	\$ 7,254.32	\$ 1,450.86			\$ 5,803.46
2	4533-47 S Calumet Avenue	\$ 6,685.36	\$ 1,337.07			\$ 5,348.29
3	5001 S Drexel Boulevard	\$ 2,596.32	\$ 519.26			\$ 2,077.06
4	5450-52 S Indiana Avenue	\$ 4,336.83	\$ 867.37			\$ 3,469.46
5	7749-59 S Yates Boulevard	\$ 1,952.61	\$ 390.52			\$ 1,562.09
6	6437-41 S Kenwood Avenue	\$ 1,781.50	\$ 356.30			\$ 1,425.20
7	7109-19 S Calumet Avenue	\$ 16,133.10	\$ 3,226.62			\$ 12,906.48
8	1414-18 East 62nd Place	\$ 448.17	\$ 89.63			\$ 358.54
9	8100 S Essex Avenue	\$ 2,379.70	\$ 475.94			\$ 1,903.76
10	7301-09 S Stewart Avenue	\$ 1,235.21	\$ 247.04			\$ 988.17
11	7500-06 S Eggleston Avenue	\$ 1,762.41	\$ 352.48			\$ 1,409.93
12	3030-32 E 79th Street	\$ 1,065.85	\$ 213.17			\$ 852.68
13	2909-19 E 78th Street	\$ 2,138.63	\$ 427.73			\$ 1,710.90
14	7549-59 S Essex Avenue	\$ 2,140.30	\$ 428.06			\$ 1,712.24
15	8047-55 S Manistee Avenue	\$ 1,784.66	\$ 356.93			\$ 1,427.73
22	7933 S Kingston Avenue	\$ 915.63			\$ 915.63	\$ -
26	8405 S Marquette Avenue	\$ 919.60			\$ 919.60	\$ -
28	8800 S Ada Street	\$ 938.42			\$ 938.42	\$ -
33	3723 W 68th Place	\$ 952.34			\$ 952.34	\$ -
35	61 E 92nd Street	\$ 938.05			\$ 938.05	\$ -
40	7953 S Woodlawn Avenue	\$ 961.01			\$ 961.01	\$ -
47	5437 S Laflin Street	\$ 1,163.81			\$ 1,163.81	\$ -
49	7300-04 S St Lawrence Avenue	\$ 1,168.05	\$ 233.61			\$ 934.44
50	7760 S Coles Avenue	\$ 1,167.33	\$ 233.47			\$ 933.86
51	1401 W 109th Place	\$ 1,286.70	\$ 257.34			\$ 1,029.36
52	310 E 50th Street	\$ 1,058.12	\$ 211.62			\$ 846.50
53	6807 S Indiana Avenue	\$ 1,320.54	\$ 264.11			\$ 1,056.43
54	8000-02 S Justine Street	\$ 988.72	\$ 197.74			\$ 790.98
55	8107-09 S Ellis Avenue	\$ 965.37	\$ 193.07			\$ 772.30
56	8209 S Ellis Avenue	\$ 1,726.38	\$ 345.28			\$ 1,381.10
57	8214-16 S Ingleside Avenue	\$ 981.53	\$ 196.31			\$ 785.22
58	5955 S Sacramento Avenue	\$ 734.92	\$ 146.98			\$ 587.94
59	6001-05 S Sacramento Avenue	\$ 838.42	\$ 167.68			\$ 670.74
60	7026-42 S Cornell Avenue	\$ 1,281.87	\$ 256.37			\$ 1,025.50

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61	7237-43 S Bennett Avenue	\$ 1,403.19	\$ 280.64			\$ 1,122.55
62	7834-44 S Ellis Avenue	\$ 1,925.32	\$ 385.06			\$ 1,540.26
63	4520-26 S Drexel Boulevard	\$ 4,617.14	\$ 923.43			\$ 3,693.71
64	4611-17 S Drexel Boulevard	\$ 4,783.17	\$ 956.63			\$ 3,826.54
67	1131-41 E 79th Place	\$ 1,515.38	\$ 303.08	\$ 1,212.30		\$ -
68	6217-27 S Dorchester Avenue	\$ 2,411.90	\$ 482.38			\$ 1,929.52
69	6250 S Mozart Street	\$ 1,598.51	\$ 319.70			\$ 1,278.81
70	638-40 N Avers Avenue	\$ 3,682.04	\$ 736.41			\$ 2,945.63
71	701-13 S 5th Avenue	\$ 1,340.19	\$ 268.04			\$ 1,072.15
72	7024-32 S Paxton Avenue	\$ 1,939.49	\$ 387.90	\$ 1,551.59		\$ -
73	7255-57 S Euclid Avenue	\$ 1,538.37	\$ 307.67			\$ 1,230.70
74	3074 E Cheltenham Place	\$ 42,427.65	\$ 8,485.53			\$ 33,942.12
75	7625-33 S East End Avenue	\$ 41,722.60	\$ 8,344.52			\$ 33,378.08
76	7635-43 S East End Avenue	\$ 42,210.47	\$ 8,442.09			\$ 33,768.38
77	7750-58 S Muskegon Avenue	\$ 42,035.51	\$ 8,407.10			\$ 33,628.41
78	7201 S Constance Avenue	\$ 42,001.03	\$ 8,400.21			\$ 33,600.82
79	6160-6212 S Martin Luther King Drive	\$ 1,654.67	\$ 330.93			\$ 1,323.74
80	2736-44 W 64th Street	\$ 1,064.76	\$ 212.95			\$ 851.81
81	4315-19 S Michigan Avenue	\$ 1,284.00	\$ 256.80			\$ 1,027.20
82	6355-59 S Talman Avenue	\$ 1,230.78	\$ 246.16			\$ 984.62
83	6356 S California Avenue	\$ 956.26	\$ 191.25			\$ 765.01
84	7051 S Bennett Avenue	\$ 1,957.70	\$ 391.54			\$ 1,566.16
85	7201-07 S Dorchester Avenue	\$ 1,000.57	\$ 200.11			\$ 800.46
86	7442-54 S Calumet Avenue	\$ 1,029.31	\$ 205.86			\$ 823.45
87	7508 S Essex Avenue	\$ 1,475.27	\$ 295.05			\$ 1,180.22
88	7546-48 S Saginaw Avenue	\$ 1,077.84	\$ 215.57			\$ 862.27
89	7600-10 S Kingston Avenue	\$ 6,227.75	\$ 1,245.55			\$ 4,982.20
90	7656-58 S Kingston Avenue	\$ 5,165.80	\$ 1,033.16			\$ 4,132.64
91	7701-03 S Essex Avenue	\$ 899.87	\$ 179.97			\$ 719.90
92	7748-52 S Essex Avenue	\$ 5,954.91	\$ 1,190.98			\$ 4,763.93
93	7957-59 S Marquette Road	\$ 664.13	\$ 132.83			\$ 531.30
94	816-22 E Marquette Road	\$ 1,062.01	\$ 212.40			\$ 849.61
95	8201 S Kingston Avenue	\$ 771.01	\$ 154.20			\$ 616.81
96-99	8326-58 S Ellis Avenue	\$ 2,731.79	\$ 546.36			\$ 2,185.43

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100	11117-11119 S Longwood Drive	\$ 1,968.76	\$ 393.75			\$ 1,575.01
101	6949-59 S Merrill Avenue	\$ 6,057.79	\$ 1,211.56			\$ 4,846.23
102-106	7927-49 S Essex Avenue	\$ 1,460.30	\$ 292.06			\$ 1,168.24
107	1422-24 East 68th Street	\$ 751.29	\$ 150.26			\$ 601.03
108	2800-06 E 81st Street	\$ 732.55	\$ 146.51			\$ 586.04
109	4750-52 S Indiana Avenue	\$ 935.63	\$ 187.13			\$ 748.50
110	5618-20 S Martin Luther King Drive	\$ 1,067.90	\$ 213.58			\$ 854.32
111	6554-58 S Vernon Avenue	\$ 884.60	\$ 176.92			\$ 707.68
112	7450 S Luella Avenue	\$ 529.85	\$ 105.97			\$ 423.88
113	7840-42 S Yates Avenue	\$ 627.31	\$ 125.46			\$ 501.85
115	431 E 42nd Place	\$ 334.55	\$ 66.91			\$ 267.64
116	1102 Bingham (Houston, TX)	\$ 3,605.85	\$ 721.17			\$ 2,884.68
<b>Total</b>		<b>\$ 366,318.55</b>	<b>\$ 71,905.90</b>	<b>\$ 2,763.89</b>	<b>\$ 6,788.86</b>	<b>\$ 284,859.90</b>
<b>Total Held Back</b>				<b>\$ 74,669.79</b>		