

**UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION**

UNITED STATES SECURITIES AND EXCHANGE COMMISSION,	)	
	)	
Plaintiff,	)	Civil Action No. 18-cv-5587
	)	
v.	)	Honorable Manish S. Shah
	)	
EQUITYBUILD, INC., et al.,	)	Magistrate Judge Young B. Kim
	)	
Defendants.	)	
	)	

**RECEIVER’S SUPPLEMENTAL SUBMISSION ON GROUP 2 CLAIMS**

Kevin B. Duff, as the receiver (“Receiver”) for the Estate of Defendants EquityBuild, Inc., EquityBuild Finance, LLC, their affiliates, and the affiliate entities of Defendants Jerome Cohen and Shaun Cohen (collectively, the “Receivership Defendants”), submits the following in response to certain issues raised by the Court at the hearing held in this matter on May 31, 2024:

**1. PINs Associated with 6160-6212 S Martin Luther King Drive**

There are two property identification numbers (“PINs”) associated with 6160-6212 S Martin Luther King Drive (Property 79): 20-15-317-039-0000 and 20-15-317-040-0000. The Cook County Recorder’s Office associates the former PIN with the address 6158 S Martin Luther King Drive, which is not within the address range for that property. The Receiver’s investigation has revealed that addresses in Cook County are consistently inconsistent and unreliable, and the legal description always controls. The Receiver has confirmed that the legal descriptions on the EquityBuild mortgages, as well as the Receiver’s deed for the sale of the property are all the same.

## **2. Claim Submitted by Stephan Tang (79-172)**

The Court received a Position Statement identifying the name of a claimant asserting an interest in 6160-6212 S Martin Luther King Drive (Property 79) as Stephan Tang (Dkt. 1566 at Ex. 87) and indicated that it had been unable to find this claim on Exhibit 1 of the Receiver's Submission on Group 2 Claims (Dkt. 1571). The claim is listed on Exhibit 1 under claimant name "Provident Trust Group, LLC FBO Stephan Tang IRA," which is the entity that made the loan to EquityBuild.

## **3. Claims Submitted by Ryan Dunn (1-483) and Aluvelu Homes LLC (1-879)**

RLD Denouement Holding Company, LLC ("RLD") and Aluvelu Homes LLC ("Aluvelu") each submitted a \$20,000 claim for a loan secured by 1700-08 Juneway Terrace (Property 1). The Receiver's research into these two claims shows that RLD's principal, Ryan Dunn, was informed by EquityBuild that RLD was purchasing the \$20,000 mortgage interest of Aluvelu, and was provided the unexecuted "Assignment of Partial Interest in Mortgage" form attached to its Position Statement. (Dkt. 1566 at Ex. 75) Although it appears that this form was never executed by Aluvelu, and it was not recorded with the Cook County Recorder of Deeds, EquityBuild and Dunn did enter into EquityBuild's standard mortgage loan package agreement on June 6, 2018 offering a secured partial interest in the Juneway mortgage in exchange for a \$20,000 loan payment. (*Id.*)

The Receiver was able to confirm through bank records that EquityBuild in fact received RLD's \$20,000 wire transfer on June 11, 2018, but despite having received these funds, EquityBuild did not repay Aluvelu's loan. Aluvelu's Manager, Rama Rao Voddi, indicated on Aluvelu's Position Statement (*Id.* at Ex. 5) that the RLD transaction was done without Aluvelu's

knowledge or permission (*Id.* at Ex. 75). The Receiver has not found any evidence that Voddi or anyone else agreed that Aluvelu would roll its loan to another investment.

Under these circumstances, the Receiver recommends that both investors be found to have a valid security interest in the 1700 Juneway mortgage. The Receiver does not believe that such a finding would result in more than 100% of the mortgage interests being paid, given the number of investors that either rolled out of the investment, were repaid by EquityBuild, or did not submit a claim in this case. Additionally, this is not the only situation with a similar fact pattern, *i.e.*, where EquityBuild had a new investor buyout the interest of another investor without paying off the original investor, and the Receiver has consistently recommended that in these circumstances both be treated as secured if they transferred funds to EquityBuild in reliance on an agreement purporting to give them a secured interest in the property, and were not subsequently repaid or moved to another investment by agreement.

**4. Claims Submitted by Chuck Denton (1-379) and Todd Easley (5-596)**

There appears to have been an unexplained technical error combining claimants' position statements into a PDF document for filing with the Court, which caused the position statement for Todd Easley (Dkt. 1566 at Ex. 29) to be merged with the Position Statement for Chuck Denton / Denton Real Estate Company Inc. 401K PSP (*Id.* at Ex. 27). Correct copies of the Position Statements as submitted to the Receiver by these claimants are attached as Exs. A and B hereto.

Dated: June 7, 2024

Kevin B. Duff, Receiver

By: /s/ Michael Rachlis  
Michael Rachlis  
Jodi Rosen Wine  
Rachlis Duff & Peel, LLC  
542 South Dearborn Street, Suite 900  
Chicago, IL 60605  
Phone (312) 733-3950  
[mrachlis@rdaplawn.net](mailto:mrachlis@rdaplawn.net)  
[jwine@rdaplawn.net](mailto:jwine@rdaplawn.net)

**CERTIFICATE OF SERVICE**

I hereby certify that on June 7, 2024, I electronically filed the foregoing **Receiver's Supplemental Submission on Group 2 Claims** with the Clerk of the United States District Court for the Northern District of Illinois, using the CM/ECF system. A copy of the foregoing was served upon counsel of record via the CM/ECF system.

I further certify that I caused true and correct copy of the foregoing Submission, to be served upon all claimants included on the Email Service List for Group 2 by electronic mail.

I further certify that the Submission will be posted to the Receivership webpage at: <http://rdaplawnet.com/receivership-for-equitybuild>

/s/ Michael Rachlis  
Rachlis Duff & Peel, LLC  
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Fax (312) 733-3952  
mrachlis@rdaplawnet.com

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EQUITYBUILD, INC., et al.,	)	Mag. Judge Young B. Kim
	)	
Defendants.	)	

POSITION STATEMENT

Claimant Name: Todd Easley

The Property or Properties:

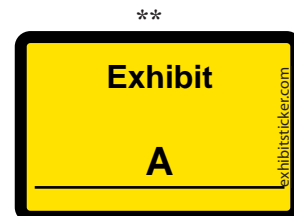
- #1 – 1700-08 Juneway Terrace
- #4 – 5450-52 S Indiana
- #5 – 7749-59 S Yates Boulevard
- #79 – 6160-6212 S Martin Luther King Drive
- #101 – 6949-59 S Merrill Avenue

Description of Facts and Evidence Supporting Claim:\*

I (Easley Family Trust) loaned \$25,000 to Equity Build, INC in 2017 for property #5 which was recorded with the Cook County Recorder of deeds on 6/23/217. I sent a proof of claim on 6/10/19 with requested documentation through the court claim portal.

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\* Please attach only relevant documents or transcript pages to the Position Statement.  
 \*\*Additional space is available on page 3.



Legal Authority and Argument:\*\*\*

I am not represented by legal counsel for this claim. I have been patiently waiting since 2018 for settlement and the return of my principle via the class action lawsuit. I was told we were in a fist position on the loan and that it was secure. Please keep us informed on this property and if there is any sight of a timeline.

Dated 11/22/2023

(Signature)

Todd Easley

Todd Easley

(Printed Name)

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Defendants.	)	

POSITION STATEMENT

Claimant Name: Chuck Denton | Denton Real Estate Company Inc 401K PSP

The Property or Properties:

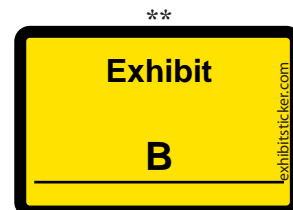
- #1 – 1700-08 Juneway Terrace
- #4 – 5450-52 S Indiana
- #5 – 7749-59 S Yates Boulevard
- #79 – 6160-6212 S Martin Luther King Drive
- #101 – 6949-59 S Merrill Avenue

Description of Facts and Evidence Supporting Claim:\*

- 1.) Proof of Claim number C0HXHY11MD was submitted and filed on 5/31/2019 12:44:34 AM.
- 2.) 230516 Group 2 Standard Discovery Requests for Investors:  
Chuck Denton - Denton Real Estate Company Inc 401k  
Claim Number C0HXHY11MD  
1700 W. Juneway Terrace | Loan Number 0179040617 was submitted and filed on 6/6/23.

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\* Please attach only relevant documents or transcript pages to the Position Statement.  
\*\*Additional space is available on page 3.





Legal Authority and Argument:\*\*\*

Dated 11/19/23

(Signature)



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**Chuck Denton**

---

(Printed Name)