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8 **UNITED STATES DISTRICT COURT**
9 **NORTHERN DISTRICT OF CALIFORNIA**

11 SECURITIES AND EXCHANGE
COMMISSION,

12 Plaintiff,

13 v.

14 SILICONSAGE BUILDERS, LLC aka
15 SILICON SAGE BUILDERS and
SANJEEV ACHARYA,

16 Defendants.
17

Case No. 3:20-cv-09247-SI

**STIPULATION AND ORDER REGARDING
REIMBURSEMENT OF CERTAIN
EXPENSES INCURRED IN CONNECTION
WITH THE SALE OF REAL PROPERTY
OWNED BY DOWNTOWN GATEWAY
RETAIL, LLC**

[No hearing required]

Hon. Susan Illston

18 **TO THE HONORABLE SUSAN ILLSTON, UNITED STATES DISTRICT JUDGE:**

19 This stipulation ("Stipulation") is entered into between David Stapleton, solely in
20 his capacity as the Receiver for SiliconSage Builders, LLC, and its subsidiaries and
21 affiliates (the "Receiver"), and Franklin Monroe Holding Company, LLC (the "Lender"),
22 pursuant to the following recitals:

23 **RECITALS**

24 1. On March 17, 2022, the Receiver filed the *Motion of Receiver, David*
25 *Stapleton, For Order Approving Sales of Real Property Owned by Downtown Gateway*
26 *Retail, LLC, Free and Clear of Liens* (the "Motion"). The Motion sought approval to sell
27 seven commercial units, six of which were then under contract. The Lender held the first
28 priority lien against the units. Because the units were collectively worth less than the

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1 amount owed to the Lender, the Lender agreed to carve out a total of \$75,000 for the
2 receivership estate if all seven units were sold.

3 2. The buyer for 1034 Monroe St. utilized Bank of America, N.A. as its lender.
4 Before it would fund the loan to the buyer, Bank of America required that the Downtown
5 Gateway Commercial Association ("Commercial Association"), which had been
6 suspended by the California Secretary of State for failure to file tax returns, be reinstated
7 and in good standing.

8 3. Because the receivership estate was only receiving a maximum of \$75,000
9 from the sale of the units, the Receiver requested that the Lender reimburse the estate
10 for the costs incurred to get the Commercial Association reinstated and in good standing.
11 The Lender agreed to reimburse the receivership estate up to \$10,000 for these costs.

12 4. The Receiver incurred the following expenses in connection with the
13 reinstatement of the Commercial Association: (a) fees of \$2,138.50 for the preparation of
14 the tax returns for 2018 through 2021; (b) Stapleton Group incurred fees of approximately
15 \$2,265.00 in connection with the reinstatement and in coordinating the new buyers so
16 that they could select a professional association to manage the Commercial Association;
17 (c) Smiley Wang-Ekvall incurred fees of approximately \$2,690.10 in connection with the
18 reinstatement of the Commercial Association; (d) taxes of \$3,973.00 were paid to the
19 Franchise Tax Board; and (e) \$88.50 in fees were paid to the California Secretary of
20 State.

21 5. The Commercial Association has been revived and is in good standing with
22 both the Franchise Tax Board and the California Secretary of State and Bank of America
23 funded its loan to the buyer for 1034 Monroe Street.

24
25 **STIPULATION**

26 Based on the foregoing recitals which are incorporated herein by reference as if
27 set forth fully herein, and subject to the approval of this Court, the Receiver and the
28 Lender agree as follows:

1 Upon entry of an order approving this Stipulation, the Lender will reimburse the
2 receivership estate \$10,000.00 pursuant to instructions to be provided to the Lender by
3 the Receiver.

4 **IT IS SO STIPULATED.**

5
6 DATED: December 14, 2022

SMILEY WANG-EKVALL, LLP

7 By: /s/ Kyra E. Andrassy

8 KYRA E. ANDRASSY
9 Counsel for David Stapleton

10 DATED: December 14, 2022

SHEPPARD MULLIN

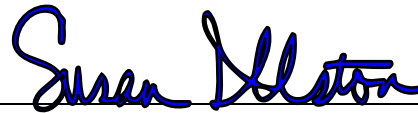
11 By: /s/ Alan Martin

12 SAUL ROSTAMIAN
13 ALAN MARTIN
14 Counsel for Franklin Monroe Holding
15 Company, LLC

16 **ORDER**

17 **PURSUANT TO STIPULATION, IT IS SO ORDERED.**

18 DATED: December 14, 2022

19 

20 SUSAN ILLSTON
21 United States District Judge
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PROOF OF SERVICE

STATE OF CALIFORNIA, DISTRICT COURT, NORTHERN DISTRICT

At the time of service, I was over 18 years of age and not a party to this action. I am employed in the County of Orange, State of California. My business address is 3200 Park Center Drive, Suite 250, Costa Mesa, CA 92626.

On 12/6/2022, I served true copies of the following document(s) described **STIPULATION AND ORDER REGARDING REIMBURSEMENT OF CERTAIN EXPENSES INCURRED IN CONNECTION WITH THE SALE OF REAL PROPERTY OWNED BY DOWNTOWN GATEWAY RETAIL, LLC** on the interested parties in this action as follows:

SEE ATTACHED SERVICE LIST

(X) (BY COURT VIA NOTICE OF ELECTRONIC FILING (“NEF”)) – Pursuant to United States District Court, Northern District of California, the foregoing document will be served by the court via NEF and hyperlinked to the document. On , I checked the CM/ECF docket for this case and determined that the aforementioned person(s) are on the Electronic Mail Notice List to receive NEF transmission at the email address(es) indicated.

(X) (BY U.S. MAIL). I enclosed the document(s) in a sealed envelope or package and placed the envelope for collection and mailing, following our ordinary business practices. I am readily familiar with the practice of Smiley Wang-Ekvall, LLP for collecting and processing correspondence for mailing. On the same day that correspondence is placed for collection and mailing, it is deposited in the ordinary course of business with USPS in a sealed envelope with postage fully prepaid. I am a resident or employed in the county where the mailing occurred. The envelope was placed in the mail at Costa Mesa, California.

() (BY E-MAIL). By scanning the document(s) and then e-mailing the resultant pdf to the e-mail address indicated above per agreement. Attached to this declaration is a copy of the e-mail transmission.

() (BY FACSIMILE). I caused the above-referenced documents to be transmitted to the noted addressee(s) at the fax number as stated. Attached to this declaration is a "TX Confirmation Report" confirming the status of transmission. Executed on _____, at Costa Mesa, California.

() STATE I declare under the penalty of perjury under the laws of the State of California that the above is true and correct.

(X) FEDERAL I declare that I am employed in the office of a member of the bar of this court at whose direction the service was made.

Executed on December 14, 2022, at Costa Mesa, California.

/s/ Lynnette Garrett
Lynnette Garrett

SERVICE LIST

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