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

10
11 SECURITIES AND EXCHANGE
COMMISSION,

12 Plaintiff,

13 v.

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

17 Defendants.

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

**NINTH QUARTERLY REPORT OF THE
RECEIVER COVERING THE PERIOD
OF APRIL 1, 2023, THROUGH JUNE
30, 2023**

Hearing Information;

Date: September 15, 2023

Time: 3:00 p.m.

Crtrm.: 1 – 17th Floor (hearing via Zoom)

Judge: Susan Illston

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1 **TO THE HONORABLE SUSAN ILLSTON, UNITED STATES DISTRICT JUDGE, THE**
 2 **SECURITIES & EXCHANGE COMMISSION, THE DEFENDANT AND HIS COUNSEL,**
 3 **AND INVESTORS AND CREDITORS OF THE RECEIVERSHIP ENTITIES:**

4 David Stapleton, the permanent receiver (the "Receiver") appointed by the Court
 5 pursuant to the *Order on Plaintiff Securities and Exchange Commission's Motion for*
 6 *Appoint of Receiver* (the "Receivership Order") that was entered on February 10, 2021,
 7 submits this Ninth Status Report to apprise the Court of the actions taken by the Receiver
 8 since the filing of the last status report, which covered the period through March 31,
 9 2023. This Status Report formally covers the period of April 1, 2023, through June 30,
 10 2023.

11 The purpose of this status report is to update all parties on progress related to the
 12 recovery plan and the marketing and sale of receivership assets, and to set forth the
 13 Receiver's next steps in continuing to carry out the recovery plan for the Receivership
 14 Estate and in administering the creditor claim process pursuant to the procedures
 15 recently approved by this Court. The Receiver requests entry of an order approving this
 16 Status Report.

17
 18 **I. GENERAL DESCRIPTION OF THE RECEIVER'S ACTIVITIES AND EFFORTS IN**
 19 **THE SECOND QUARTER OF 2023**

20 **A. General Operations of the Receiver**

21 The Receiver and his team continue to actively monitor the sale of the condominium
 22 units owned by Osgood, LLC ("Osgood"), and manage the completion of 1821 Almaden,
 23 LLC ("Almaden"). Details on the status of these projects is set forth below. The sale of
 24 the last unit at the Downtown Gateway project closed in July 2023.

25 **B. Status of the Claims Process**

26 The deadline for the submission of claims for most parties was December 13, 2022.
 27 The Receiver received 683 claims from 627 unique parties with a face amount that totals
 28 more than \$377 million, although this amount is expected to be reduced substantially once

1 claims are reviewed, amounts corrected, and duplicates eliminated, and also because it
2 includes the full amount of claims for Acres Loan Origination for the Osgood and Almaden
3 projects. The Receiver expects to give purchasers of the condominium units who either
4 cancelled their purchase agreement or signed the new contract but may claim some
5 damages a supplemental notice of the claims bar date in the next couple of months. The
6 Receiver wants to give them all notice at the same time for purposes of efficiency and
7 simplicity and because there may be some additional purchasers who terminate their
8 contracts and whose damages may not yet be known. The Receiver will not be able to
9 give this notice until the buyers under contract at Almaden as of the Receiver's appointment
10 are contacted and given an opportunity to determine whether to sign the new contract or
11 to cancel the purchase and be refunded the portion, if any, of their deposit still held in
12 escrow. The Receiver will file a supplemental notice of the claims bar date when this
13 occurs.

14 The Receiver's team is reviewing the claims that were filed to verify that they are
15 supported by documentation and to identify those that need further verification. The
16 Receiver's team will reach out informally to claimants to attempt to resolve any
17 discrepancies. If the dispute cannot be resolved informally and if it is material enough to
18 warrant further action, the Receiver will present the dispute to the Court for resolution
19 through a summary proceeding.

20 The Receiver does not presently have an estimate for when he will be prepared to
21 make a distribution of funds but expects to be in a position to make a distribution in 2024.

22 **C. Analysis of Potential Litigation Claims**

23 The Receiver identified sixteen investors who the books and records indicate were
24 net winners, meaning that they appear to have received back more than they invested.
25 The books and records reflect the potential profits paid at more than \$7.5 million. Counsel
26 for the Receiver has sent out letters setting forth the Receiver's position and seeking
27 recovery of the profits they received. The Receiver has received responses from many of
28 them that content that the books and records are not accurate, so the Receiver is in the

1 process of obtaining additional information from these investors. If the disputes cannot be
2 resolved informally, then the Receiver will seek Court authority to pursue them on a
3 contingency fee basis via a separate motion. A contingency fee arrangement is the
4 conservative approach that will ensure that the Receivership Estate benefits from the
5 pursuit of these action and minimizes the risk to the Estate from the cost of litigation, the
6 risk of not succeeding in litigation, and the difficulties in collecting any judgment that may
7 be obtained.

8 The Receiver is also evaluating whether there are viable claims against the
9 Receivership Entities' banking partner for aiding and abetting a fraud or for similar claims.
10 As detailed in the Receiver's motion to deem the Receivership Entities a unitary enterprise,
11 the flow of funds through accounts, often through multiple accounts within minutes, should
12 have raised questions about how the Receivership Entities were conducting their business
13 and caused the bank to ask questions or conduct further investigation. Neither appears to
14 have been done but if they had been done, losses to investors could potentially have been
15 minimized. The Receiver has filed a motion to retain counsel to investigate and pursue
16 any claims of this nature on a contingency fee basis. That motion is scheduled for a hearing
17 on August 25, 2023. There was no opposition filed.

18 **D. Cash on Hand & Receipts & Disbursements**

19 As of the date of appointment, the Receivership Entities had 62 bank accounts at
20 Chase Bank with a cumulative cash balance of -\$6,321 (negative balance). The Receiver
21 established certain receivership trust accounts to deposit miscellaneous receipts for the
22 Receivership Entities. For purposes of this report and to isolate the Receiver's work and
23 the funding and expenses specific to the two ongoing construction projects at Almaden and
24 Osgood, the Receiver will bifurcate efforts into *General Receivership Cash Activity* and
25 *Almaden / Osgood Cash Activity* below.

26 **1. General Receivership Cash Activity**

27 Since the date of the Receiver's appointment and not including receipts and
28 disbursements related to the two ongoing construction projects, the Receiver has collected

1 \$82,757,967 and disbursed \$69,703,451, for an ending cash balance of \$13,054,516 as of
 2 June 30, 2023. This cash balance does not include accrued and unpaid administrative
 3 costs of the Receivership Estate. Of the \$69,562,466 of disbursements, \$57,129,596 were
 4 loan payoffs to secured lenders (other than Acres) at the time of closing sales and \$78,312
 5 were tenant security deposits turned over to the buyer of the Balbach apartment building.
 6 Attached as **Exhibit 1** is a summary of cash receipts and disbursements for Q2 2023 and
 7 for the receivership period through June 30, 2023, for all entities except for Almaden and
 8 Osgood.

9 **2. Almaden & Osgood Cash Activity**

10 After the Receiver's appointment and to keep construction moving forward, Acres
 11 Loan Origination, the secured creditor with the senior lien on both the Almaden and Osgood
 12 properties, made protective advances under its construction loans to fund ongoing
 13 construction expenses for the Almaden and Osgood projects. During Q4 2021, the
 14 Receiver and Acres completed the documentation of their agreement regarding the funding
 15 of the completion of construction and it was approved by the Court. Pursuant to that Court-
 16 approved agreement, as amended, Acres has been issued receiver's certificates for all
 17 amounts it has loaned to the Receiver. The liens of the receiver's certificates are senior to
 18 the construction deeds of trust recorded by Acres and to all other liens against the projects.

19 As of June 30, 2023, Acres had funded \$50,756,219¹ and the Receiver had
 20 disbursed \$49,927,417 related specifically to the Almaden and Osgood projects. All of the
 21 amounts funded are for actual costs to be paid related to the ongoing construction of these
 22 projects, and the difference between funds received and funds disbursed is merely related
 23 to timing differences.

24
 25
 26

 27 ¹ This represents total protective advances since inception of the receivership period.
 28 The total protective advances reported in Dkt #266 captured all protective advances for
 the life of the project, which included additional protective advances made directly to
 Trigate prior to the Receiver's appointment.

1 In addition, pursuant to the Construction Funding Agreement, Acres agreed to pay
 2 up to \$1.8 million for the fees and costs of the Receiver in connection with the day-to-day
 3 management of these projects and the amounts will not be added to its debt. Because of
 4 construction delays and an increase in the amount of work that was required by the
 5 Receiver's team, this cap was reached in 2022. However, Acres agreed to continue to
 6 fund the Receiver's allowed fees and costs in excess of the cap until construction is
 7 completed. These amounts are not part of the indebtedness owed by the Receivership
 8 Estate so this does not have any negative impact on the Receivership Estate Attached as
 9 **Exhibit 2** is a summary of cash receipts and disbursements for Osgood and Almaden only
 10 for Q2 2023 and for the receivership period through June 30, 2023. These projects are
 11 discussed in more detail below.

12 **II. STATUS OF OSGOOD AND ALMADEN CONDOMINIUM PROJECTS**

13 **A. Overview of the Status of the Projects**

14 As of the filing of this report, the condominium project owned by Osgood is
 15 complete, with 64 units having closed escrow, 5 in escrow, and 24 still being marketed for
 16 sale. The Receiver recently obtained an order deeming thirteen different contracts for the
 17 purchase of units at Osgood terminated because the purchasers were either unwilling to
 18 sign the form of the purchase agreement approved by the Court and the Department of
 19 Real Estate ("DRE") or would not respond. The Receiver is now working with the title
 20 company so that these units can be sold to third parties.
 21

22 Almaden owns a condominium project in San Jose that remains under
 23 construction, although it is nearing completion and is about 85% complete. As of the first
 24 quarter of 2023, Almaden continues to make progress towards completion of
 25 construction. As of the date of this report, all level 5, 4, 3 and 2 units have been
 26 completed. Level 1 units are about 80% complete. All three elevators are operational off
 27 of temporary power, and Almaden has received the temporary elevator certificate, which
 28 has allowed Almaden to remove the man lift from the exterior of the site. Contracts have

1 been executed with PG&E and substantial progress has been made on completing the
2 required electrical upgrades to the system by PG&E. Work should be completed within
3 the next month, making the project cleared by PG&E to energize the site. In addition to
4 the electrical redesign, the storm drain system needs extensive corrections due to work
5 that was deficiently installed pre-receivership. This has slowed the pace of the perimeter
6 site work, but the Receiver continues to coordinate and sequence these scopes of work,
7 to ensure the project is completed. Exterior stucco system of the building is now 100%
8 complete. The main lobby area has been enclosed with the storefront glass and common
9 areas within the building continue to track towards completion.

10 While construction has been underway, Almaden has been engaged in the same
11 process that Osgood went through with seeking approval from the DRE of its Amended
12 Public Report and the form of the purchase agreement. After a number of months, on
13 July 24, 2023, Almaden received the requisite approval, which means that the sales team
14 can now start reaching out to the buyers under the old form of agreement to request that
15 they sign the new form of agreement approved by the Court and the DRE. Almaden can
16 also start the marketing of the remaining units.

17 **B. Appeals Taken of the Court's Order Authorizing the Receiver to Reject**
18 **Certain Purchase Agreements at Osgood and Almaden**

19 As set forth in prior reports, Osgood and Almaden entered into approximately 6
20 purchase agreements affecting a total of 15 units under which they accepted deposits
21 larger than permitted under the loan agreement with Acres and then dissipated those
22 deposits. The purchase price for the units was generally under market and the agreements
23 contained certain provisions that the Receiver and Acres believe made them susceptible
24 to being characterized as unsecured loans rather than true purchase agreements.

25 Initially, the Receiver sought to recharacterize these agreements as loans through
26 the use of summary proceedings before this Court. However, the Receiver determined
27 that for a number of reasons, seeking rejection of the agreements would be the most
28 efficient route for the Receivership Estate. Accordingly, the Receiver filed a motion to reject

1 these agreements. The Court granted that motion, which then mooted various issues that
 2 had arisen in connection with the litigation regarding recharacterization. One appeal was
 3 pursued, and the Ninth Circuit Court of Appeals affirmed the order of this Court.

4
 5 **III. MISCELLANEOUS ISSUES RELATED TO ADMINISTRATION OF THE**
 6 **RECEIVERSHIP ESTATE**

7 **A. The Sale of a Truck That Is Collateral of Western Alliance Bank**

8 In the last quarter of 2022, the Receiver vacated a warehouse at the property that
 9 was owned by Savant at Irvington and disposed of personal property as previously
 10 authorized by the Court. There was a Dodge truck that did not run that was located at
 11 the lot and for which the Receiver was in the process of getting replacement title for
 12 because the original title certificate could not be located. However, that process took too
 13 long and the landlord was threatening to tow the truck. Accordingly, the Receiver sold it
 14 for \$500 to a third party who intended to use it for parts and who was willing to tow it
 15 away, thereby eliminating any claim for rent or other costs that the landlord might have
 16 asserted for the storage and removal of the truck. The Receiver seeks authority to tender
 17 this \$500 to Western Alliance Bank, which has a UCC-1 recorded against SiliconSage
 18 Construction's assets and is owed significantly in excess of that sum.

19 **B. Fees and Costs of the Receiver and His Professionals**

20 The following table lists the amounts of the fees and costs of the Receiver and his
 21 counsel that have been authorized and paid through the third quarter of 2022. The
 22 difference between the amount authorized to be paid and the amount allowed represents
 23 the holdback of fees, payment of which will be sought at the conclusion of the
 24 receivership.

25 **Receiver's Fees and Costs**

Fee App	Amount Allowed	Amount Authorized To Be Paid
Q1 2021	\$357,006.00 in fees and \$7,110.41 in costs	\$285,604.80 in fees and 100% of costs
Q2 2021	\$641,953.50 in fees and \$1,415.13 in costs	\$567,938 in fees, which includes \$345,891.50 paid by Acres for Osgood/Almaden, plus 100% of costs

1	Q3 2021	\$577,483.00 in fees and \$1,228.76 in costs	\$541,110.60 in fees, which includes \$395,921.00 paid by Acres for Osgood/Almaden, plus 100% of costs
2	Q4 2021	\$538,923.00 in fees and \$926.93 in costs	\$497,822.90 in fees, which includes \$333,422.50 to be paid by Acres for Osgood/Almaden, plus 100% of costs
3	Q1 2022	\$506,821.00 in fees and \$1,224.11 in costs	\$488,054.70 in fees, which includes \$406,582.50 to be paid by Acres for Osgood/Almaden, \$3,679.50 related to termination of the 401(k) plan that will be paid from the plan assets, and \$3,057.50 that is to be paid by a party that requested document production as set forth in a stipulation approved by the Court. The Court allowed 100% of costs to be paid.
4	Q2 2022	\$537,980.00 in fees and \$1,153.84 in costs	\$524,187.50 in fees, which includes \$469,017.50 in fees to be paid by Acres for Osgood/Almaden, plus 100% of costs.
5	Q3 2022	\$468,999.00 in fees and \$582.78 in costs	\$450,586.00 in fees, which includes \$376,934.00 in fees to be paid by Acres for Osgood/Almaden, plus 100% of costs
6	Q4 2022	\$463,904.50 in fees and \$1,207.10 in costs	\$437,302.10 in fees, which includes \$330,892.50 in fees to be paid by Acres for Osgood/Almaden, plus 100% of costs
7	Q1 2023	\$402,440.50 in fees and \$1,914.70 in costs	\$383,287.10 in fees, which includes \$306,673.50 in fees to be paid by Acres for Osgood/Almaden, plus 100% of costs

SWE's Fees and Costs

Quarter	Amount Allowed	Amount Paid	
17	Q1 2021	\$91,122.30 in fees and \$9,208.71 in costs	\$72,897.84 in fees and 100% of costs
18	Q2 2021	\$130,885.65 in fees and \$1,593.37 in costs	\$98,164.24 in fees and 100% of costs
19	Q3 2021	\$93,388.95 in fees and \$3,466.81 in costs	\$74,711.16 in fees and 100% of costs
20	Q4 2021	\$102,634.20 in fees and \$7,074.48 in costs	\$82,531.80 in fees, which includes \$2,086.20 in fees related to the recharacterization litigation to be paid by Acres, and 100% of costs
21	Q1 2022	\$58,397.40 in fees and \$1,386.02 in costs	\$52,007.04 in fees, which includes \$23,865.30 related to the recharacterization litigation to be paid by Acres, \$2,580.30 in fees incurred in connection with document production to a third party to be paid by that party pursuant to a stipulation approved by the Court, and 100% of costs
22	Q2 2022	\$64,931.85 in fees and \$2,867.58 in costs	\$56,689.20 in fees, which includes \$23,718.60 incurred in connection with the issue of recharacterization and which are the responsibility of Acres, and 100% of costs
23	Q3 2022	\$24,669.00 in fees and \$536.42 in costs	\$20,778.30 in fees, which includes \$5,215.50 incurred in connection with the issue of recharacterization and which are the responsibility of Acres, and 100% of costs

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1	Q4 2022	\$21,138.75 in fees and \$4,399.22 in costs	\$18,052.82 in fees were authorized to be paid, which includes \$5,709.60 in fees incurred on the recharacterization issue that are the responsibility of Acres. 100% of costs were authorized to be paid.
2			
3	Q1 2023	\$31,562.60 in fees and \$906.53 in costs	\$27,120.60 in fees were authorized to be paid, which includes \$9,552.60 in fees incurred on the recharacterization issue that are the responsibility of Acres. 100% of costs were authorized to be paid.
4			
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Ratzlaff Tamberi & Wong Accountancy Corporation's Fees and Costs

7
8 In June 2022, the Receiver obtained Court approval to retain Ratzlaff Tamberi &
9 Wong Accountancy Corporation as his tax accountants in order to prepare returns for
10 certain of the Receivership Entities. The Ratzlaff Firm went in for fees in the third quarter
11 of 2022 and was allowed \$7,928.50 in fees, with 80% of that amount authorized to be
12 paid. Because its fees for the fourth quarter of 2022 and the first quarter of 2023 were
13 fairly nominal, it did not prepare an application for their allowance and payment but
14 expects to submit an application for those quarters and the second quarter or 2023 in the
15 next couple of weeks.

16 The Receiver, Smiley Wang-Ekvall, and the Ratzlaff Firm are in the process of
17 preparing their fee applications for the second quarter of 2023 and intend to set them for
18 a hearing concurrent with this Status Report.

C. Walnut Morgan Hill

19
20 One of the Receivership Entities is Walnut Morgan Hill, LLC, which owns a piece
21 of property in Morgan Hill. Prior to the appointment of the Receiver, Mr. Acharya caused
22 the membership interests in Walnut Morgan Hill, LLC to be transferred to an investor who
23 had invested in that entity, in satisfaction of his debt. The Receiver expects that he will
24 likely seek a Court order removing Walnut Morgan Hill, LLC, from the Receivership
25 Estate because the value of the property is not significantly more than the liens against it
26 and because the investor will otherwise assert that the entity should not be property of
27 the Receivership Estate since it was not owned by Mr. Acharya or any of the other
28

1 Receivership Entities when the Receiver was appointed. Such relief would be sought
2 through a motion and is not being requested in this Status Report.

3
4 **IV. CONCLUSION**

5 Based on the foregoing, the Receiver requests entry of an order approving this
6 Status Report, authorizing the payment of \$500.00 in proceeds from the sale of a truck to
7 be paid to Western Alliance Bank, and approving the actions taken by the Receiver as
8 set forth in this Status Report.

9
10 DATED: August 11, 2023

Respectfully submitted,

SMILEY WANG-EKVALL, LLP

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14 By: /s/ Kyra E. Andrassy
15 KYRA E. ANDRASSY
16 Attorneys for David Stapleton, Receiver
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EXHIBIT "1"

SEC v. SiliconSage Builders, et al.
 Cash Receipts & Disbursements - All Receivership Entities Excluding Almaden & Osgood

2/10/2021 - 06/30/2023

	2/10/2021 - 3/31/2021	4/1/2021 - 6/30/2021	7/1/2021 - 9/30/2021	10/1/2021 - 12/31/2021	1/1/2022 - 03/31/2022	4/1/2022 - 06/30/2022	07/01/2022 - 09/30/2022	10/01/2022 - 12/31/2022	01/01/2023 - 03/31/2023						
	Q1 2021 (partial)	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	1313 Franklin, LLC	138 Balbach, LLC	1460 Monroe LLC	2101 Alum Rock, LLC	510 & 528 S. Mathilda Ave.	B Street Hayward, LLC
Beginning Cash Balance	-	22,713	449,300	574,382	13,538,191	13,616,853	13,154,026	13,179,795	13,176,625	15,552	19,937	177,105	0	135,265	348,408
RECEIPTS															
Misc. Deposits (Initial Capital)	12,923	-	-	1,734	240,000	-	-	-	-	-	-	-	-	-	-
Misc. Deposits (Owner Contribution)	-	-	-	-	-	-	169,462	-	-	-	-	-	-	-	-
Impound Accounts Refund	-	-	-	273,807	-	-	-	-	-	-	-	-	-	-	-
INCOME															
RENTAL INCOME															
Rental Income	2,278	65,454	60,954	(122,175)	107,204	2,333	2,333	1,555	-	-	-	-	-	-	-
Prepaid Rent	-	28,985	(14,279)	(1,573)	-	-	-	-	-	-	-	-	-	-	-
TOTAL RENTAL INCOME	2,278	94,440	46,676	(123,747)	107,204	2,333	2,333	1,555	-	-	-	-	-	-	-
EXPENSE REIMBURSEMENT															
Pass thru Janitorial	-	(340)	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXP REIMBURSEMENT	-	(340)	-	-	-	-	-	-	-	-	-	-	-	-	-
SALE OF ASSETS															
Sale of Assets	-	949,000	4,198,080	73,400,000	-	5,419,479	-	1,206,625	-	-	-	-	-	-	-
Exp of Sale - Commissions	-	(23,725)	(167,911)	(805,250)	-	(244,772)	-	(60,331)	-	-	-	-	-	-	-
Exp of Sale - Escrow & Title Charges	-	(2,778)	(30,772)	(1,390,685)	-	(44,489)	-	(9,434)	-	-	-	-	-	-	-
Exp of Sale - Prof. & Misc Fees	-	-	(803)	(357,693)	3,850	(450)	-	(90)	-	-	-	-	-	-	-
Exp of Sale - Loan Cost	-	-	-	(366,802)	-	-	-	-	-	-	-	-	-	-	-
TOTAL SALE OF ASSETS	-	922,497	3,998,594	70,479,569	3,850	5,129,768	-	1,136,770	-	-	-	-	-	-	-
Miscellaneous Income	-	16,608	-	15	-	2,077	-	-	-	-	-	-	-	-	-
Interest on Bank Accounts	-	-	-	-	-	2,021	3,151	6,305	6,171	-	-	-	-	-	-
Settlement Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL OTHER INCOME	-	16,608	-	15	-	4,098	3,151	6,305	6,171	-	-	-	-	-	-
TOTAL INCOME	2,278	1,033,204	4,045,269	70,355,837	111,054	5,136,198	5,484	1,144,629	6,171	-	-	-	-	-	-
TOTAL RECEIPTS	15,200	1,033,204	4,045,269	70,631,378	351,054	5,136,198	174,946	1,144,629	6,171	-	-	-	-	-	-
EXPENSES															
DIRECT EXPENSES															
Business License & Permit	-	-	-	8,976	144	-	35	-	-	-	-	-	-	-	-
Repairs & Maintenance	-	492,064	9,050	854	950	79,537	(5,250)	-	-	-	-	-	-	-	-
Computer Tech & Software Expense	2,304	7,846	6,335	7,831	31,609	21,753	8,117	19,670	8,104	-	-	-	-	-	-
Insurance Exp	-	(1,095)	51,987	14,811	4,000	-	-	-	-	-	-	-	-	-	-
Fence Rental	-	-	2,950	670	1,004	1,004	2,370	-	-	-	-	-	-	-	-
Storage Rental	-	-	-	-	-	-	-	-	370	-	-	-	-	-	-
Property Tax	-	19,027	89,521	780,848	89,387	106,519	-	26,633	-	-	-	-	-	-	-
Utilities	(9,960)	-	(16,669)	10,115	4,500	-	(661)	-	8,084	-	-	-	-	-	-
Telecommunication Expense	-	1,590	1,884	952	1,192	1,296	892	1,786	1,813	-	-	-	-	-	-
TOTAL DIRECT EXPENSES	(7,656)	519,431	145,058	825,056	132,786	210,110	5,503	48,088	18,372	-	-	-	-	-	-
GENERAL & ADMINISTRATIVE															
Office Expense	48	(48)	-	(78)	-	-	-	-	-	-	-	-	-	-	-
Receiver Fees	-	-	-	372,322	-	399,755	74,735	-	128,822	-	-	-	-	-	-
Receiver Expenses	-	-	-	8,526	-	2,156	1,224	-	1,737	-	-	-	-	-	-
Professional Fees	-	-	-	12,727	-	-	-	-	-	-	-	-	-	-	-
Legal Fees	-	-	-	106,118	114,693	87,520	64,462	-	51,937	-	-	-	-	-	-
State Income Tax	-	-	-	-	-	3,973	3,254	-	-	-	-	-	-	-	-
Tax Preparation	-	-	-	-	-	-	-	-	6,343	-	-	-	-	-	-
Non-Employee Compensation	96	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	-	-	-	(6,328)	-	1	-	375	-	-	-	-	-	-	-
TOTAL G & A EXPENSE	144	(48)	-	493,286	114,693	493,405	143,675	375	188,839	-	-	-	-	-	-
INTEREST EXPENSE															
Interest Expense	-	1,616	-	3,026,979	-	1,529	-	-	-	-	-	-	-	-	-
TOTAL INTEREST EXPENSE	-	1,616	-	3,026,979	-	1,529	-	-	-	-	-	-	-	-	-
TOTAL EXPENSES	(7,512)	520,999	145,058	4,345,321	247,479	705,044	149,177	48,463	207,211	-	-	-	-	-	-
NET INCOME															
NET INCOME	9,790	512,205	3,900,211	66,010,516	(136,425)	4,431,155	(143,693)	1,096,166	(201,039)	-	-	-	-	-	-
Loan Pay - Balances	-	(85,617)	(3,775,129)	-	(24,914)	-	-	-	-	-	-	-	-	-	-
Owner/Lender Distribution	-	-	-	-	-	(4,898,094)	-	(1,099,336)	-	-	-	-	-	-	-
Sales - Reserve for Liab & Final Expenses	-	-	-	-	-	4,112	-	-	-	-	-	-	-	-	-
Security Deposit Return	-	-	-	(78,312)	-	-	-	-	-	-	-	-	-	-	-
Intercompany Cash Transfer	-	-	-	-	-	-	(0)	-	-	-	-	-	-	-	-
Ending Cash Balance	22,713	449,300	574,382	13,538,191	13,616,853	13,154,026	13,179,795	13,176,625	12,975,586	15,552	19,937	177,105	0	135,265	348,408

Downtown Gateway	Peralta At Fremont LLC	Sage at Irvington (Osgood 2)	Siliconage Builders, LLC	04/01/2023 - 06/30/2023	Inception through 06/30/2023									Total 2/10/21 - 06/30/23	
				Q2 2023	1313 Franklin, LLC	138 Balbach, LLC	1460 Monroe LLC	2101 Alum Rock, LLC	510 & 528 S. Mathilda Ave.	B Street Hayward, LLC	Downtown Gateway	Peralta At Fremont LLC	Sage at Irvington (Osgood2)		Siliconage Builders, LLC
55,342	(14,042)	2,076,014	10,162,003	12,975,586	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	240,000	-	-	-	-	-	-	-	14,657	254,657
-	-	-	-	-	-	462	-	-	-	-	-	-	-	169,000	169,462
-	-	-	-	-	-	273,807	-	-	-	-	-	-	-	-	273,807
-	-	-	-	-	15,552	(168,628)	-	265,013	8,000	-	-	-	-	-	119,937
-	-	-	-	-	-	(1,573)	-	14,707	-	-	-	-	-	-	13,134
-	-	-	-	-	15,552	(170,201)	-	279,720	8,000	-	-	-	-	-	133,071
-	-	-	-	-	-	-	-	-	(340)	-	-	-	-	-	(340)
-	-	-	-	-	-	-	-	-	(340)	-	-	-	-	-	(340)
-	-	-	-	-	-	53,450,000	4,198,080	-	6,450,000	949,000	6,626,104	-	13,500,000	-	85,173,184
-	-	-	-	-	-	(469,000)	(167,911)	-	(161,250)	(23,725)	(305,104)	-	(175,000)	-	(1,301,990)
-	-	-	-	-	-	(1,081,219)	(30,308)	-	(275,690)	(2,778)	(53,923)	-	(34,241)	-	(1,478,159)
-	-	-	-	-	-	(195,130)	(809)	-	-	-	(540)	-	(158,707)	-	(355,185)
-	-	-	-	-	-	(201,302)	-	-	-	-	-	-	(165,500)	-	(366,802)
-	-	-	-	-	-	51,503,349	3,999,052	-	6,013,060	922,497	6,266,537	-	12,968,553	-	81,671,047
-	-	-	-	-	-	-	-	-	-	16,608	-	-	-	2,092	18,700
-	-	-	19,915	19,915	-	-	-	-	-	-	-	-	-	35,542	55,457
-	-	-	200,000	200,000	-	-	-	-	2,021	-	-	-	200,000	202,021	402,021
-	-	-	219,915	219,915	-	-	-	-	2,021	16,608	-	-	-	237,634	457,649
-	-	-	219,915	219,915	15,552	51,333,148	3,999,052	279,720	6,022,741	939,104	6,266,537	-	12,966,553	237,634	82,060,041
-	-	-	219,915	219,915	15,552	51,847,417	3,999,052	279,720	6,022,741	939,104	6,266,537	-	12,966,553	421,291	82,757,967
-	-	-	-	-	-	-	-	-	-	144	20	3,553	5,423	15	9,155
-	-	-	-	-	-	-	-	-	-	496,518	75,037	4,500	-	1,150	577,205
-	-	-	15,493	15,493	-	-	-	-	16,502	7,456	-	-	-	105,102	129,060
-	-	-	-	-	-	50,751	-	16,047	-	4,000	-	-	-	(1,095)	69,703
-	-	-	-	-	-	-	-	-	-	2,009	-	5,989	-	-	7,998
-	-	-	525	525	-	-	-	-	-	-	-	-	-	-	895
-	-	-	-	-	-	184,071	89,521	95,728	207,824	8,623	133,152	-	393,016	-	1,111,935
-	-	-	-	-	-	17,224	-	4,500	-	479	-	-	-	(26,794)	(4,591)
-	-	-	609	609	-	-	-	-	-	-	-	-	-	12,012	12,012
-	-	-	16,626	16,626	-	252,046	89,521	116,276	224,326	519,228	208,210	14,042	398,439	91,286	1,913,374
-	-	-	fran	-	-	(78)	-	-	-	-	-	-	-	-	(78)
-	-	-	106,410	106,410	-	536,722	-	-	-	-	-	-	364,177	181,145	1,082,043
-	-	-	1,207	1,207	-	9,452	-	-	-	-	-	-	2,965	2,431	14,849
-	-	-	-	-	-	-	-	-	-	-	-	-	-	12,727	12,727
-	-	-	16,743	16,743	-	310,018	-	-	-	-	-	-	-	131,455	441,472
-	-	-	-	-	-	-	-	-	-	-	4,027	-	-	3,200	7,227
-	-	-	-	-	-	-	-	-	-	-	-	-	6,343	-	6,343
-	-	-	-	-	-	-	-	-	-	-	-	-	-	96	96
-	-	-	-	-	-	(6,328)	-	-	-	-	-	-	-	376	(5,952)
-	-	-	124,359	124,359	-	849,786	-	-	-	-	4,027	-	373,485	331,430	1,558,727
-	-	-	-	-	-	558,461	-	-	813,150	1,616	1,529	-	1,655,369	-	3,030,125
-	-	-	-	-	-	558,461	-	-	813,150	1,616	1,529	-	1,655,369	-	3,030,125
-	-	-	140,986	140,986	-	1,660,293	89,521	116,276	1,037,476	520,844	213,765	14,042	2,427,292	422,716	6,502,226
-	-	-	78,930	78,930	15,552	49,672,855	3,999,530	163,444	4,985,265	418,260	6,052,772	(14,042)	10,539,260	(185,082)	75,557,816
-	-	-	-	-	-	(40,089,446)	(3,732,425)	(163,444)	(4,850,000)	(19,281)	-	-	(8,275,000)	-	(57,129,596)
-	-	-	-	-	-	-	-	-	-	(5,997,430)	-	-	-	-	(5,997,430)
-	-	-	-	-	-	(78,312)	-	-	-	-	-	-	4,112	-	4,112
-	-	-	-	-	-	(9,999,429)	-	-	-	-	-	-	(192,359)	10,242,358	(78,312)
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(9)
55,342	(14,042)	2,076,014	10,240,933	13,054,516	15,552	19,937	177,105	0	135,265	348,408	55,342	(14,042)	2,076,014	10,240,933	13,054,516

69,703,451

EXHIBIT "2"

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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 **8/11/2023**, I served true copies of the following document(s) described **NINTH QUARTERLY REPORT OF THE RECEIVER COVERING THE PERIOD OF APRIL 1, 2023, THROUGH JUNE 30, 2023** 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 August 11, 2023, at Costa Mesa, California.

/s/ Lynnette Garrett

Lynnette Garrett

SERVICE LIST

BY COURT VIA NOTICE OF ELECTRONIC FILING ("NEF"):

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