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6 Counsel for David Stapleton, Receiver

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UNITED STATES DISTRICT COURT

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NORTHERN DISTRICT OF CALIFORNIA

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SAN FRANCISCO DIVISION

11

SECURITIES AND EXCHANGE
COMMISSION,

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

12

Plaintiff,

Assigned to: Hon. Susan Illston

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v.

**NOTICE OF ERRATA REGARDING
TWELFTH QUARTERLY STATUS
REPORT OF THE RECEIVER FOR
THE PERIOD FROM JANUARY 1,
2024, THROUGH MARCH 31, 2024**

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

Date: July 12, 2024

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Defendants.

Time: 3:00 p.m.

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Ctrm: 1-17th Floor (Hearing by Zoom)

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TO THE HONORABLE SUSAN ILLSTON, UNITED STATES DISTRICT JUDGE,

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THE SECURITIES & EXCHANGE COMMISSION, THE DEFENDANT AND HIS

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COUNSEL, AND INVESTORS AND CREDITORS OF THE RECEIVERSHIP

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ENTITIES:

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David Stapleton, the permanent receiver (“Receiver”) appointed by the Court pursuant

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to the *Order on Plaintiff Securities and Exchange Commission’s Motion for Appointment of*

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Receiver (the “Receivership Order”) that was entered on February 10, 2021, submits this

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Notice of Errata to correct an error in the *Twelfth Quarterly Status Report of the Receiver for*

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1 *the Period from January 1, 2024, Through March 31, 2024.* At page 4 of the Status Report,
2 the amounts received and disbursed were incorrect and Exhibit “1” has been updated. The
3 entire section should read as follows:

4 **1. General Receivership Cash Activity**

5 Since the date of the Receiver’s appointment and not including receipts and
6 disbursements related to the two ongoing construction projects, the Receiver has collected
7 \$84,259,335 and disbursed \$71,217,639, for an ending cash balance of \$13,041,696 as of
8 March 31, 2023. This cash balance does not include accrued and unpaid administrative costs
9 of the Receivership Estate. Of the \$71,217,639 of disbursements, \$58,297,569 were loan
10 payoffs to secured lenders (other than Acres) at the time of closing sales and \$78,312 were
11 tenant security deposits turned over to the buyer of the Balbach apartment building.

12 An updated Exhibit “1” is attached hereto. The Receiver and his counsel apologize for
13 the error.

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Dated: July 16, 2024

Respectfully submitted,

RAINES FELDMAN LITTRELL LLP

By: /s/ Kyra E. Andrassy
Kyra E. Andrassy
Counsel for David Stapleton, Receiver

EXHIBIT "1"

SEC v. SiliconSage Builders, et al.

2/10/2021 - 03/31/2024

Cash Receipts & Disbursements - All Receivership Entities Excluding Almaden & Osgood

	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	04/01/2023 - 06/30/2023	07/01/2023 - 09/30/2023	10/01/2023 - 12/31/2023
	Q1 2021 (partial)	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023
Beginning 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	13,054,516	13,013,387
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	-	-	1,300,000	-
Exp of Sale - Commissions	-	(23,725)	(167,911)	(805,250)	-	(244,772)	-	(60,331)	-	-	(52,000)	-
Exp of Sale - Escrow & Title Charges	-	(2,778)	(30,772)	(1,390,685)	-	(44,489)	-	(9,434)	-	-	(10,008)	-
Exp of Sale - Prof. & Misc Fees	-	-	(803)	(357,693)	3,850	(450)	-	(90)	-	-	(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	-	-	1,237,902	-
Miscellaneous Income	-	16,608	-	15	-	2,077	-	-	-	-	-	-
Interest on Bank Accounts	-	-	-	-	-	-	3,151	6,305	6,171	19,915	53,887	64,361
Settlement Income	-	-	-	-	-	2,021	-	-	-	200,000	-	76,813
TOTAL OTHER INCOME	-	16,608	-	15	-	4,098	3,151	6,305	6,171	219,915	53,887	141,174
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	219,915	1,291,789	141,174
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	219,915	1,291,789	141,174
EXPENSES												
DIRECT EXPENSES												
Business License & Permit	-	-	-	8,976	144	-	35	-	-	-	-	26
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	15,493	12,724	7,795
Insurance Exp	-	(1,095)	51,987	14,811	4,000	-	-	-	-	-	-	-
Fence Rental	-	-	2,950	670	1,004	1,004	2,370	-	-	-	-	-
Storage Rental	-	-	-	-	-	-	-	-	370	525	525	525
Property Tax	-	19,027	89,521	780,848	89,387	106,519	-	26,633	-	-	54,318	-
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	609	375	138
TOTAL DIRECT EXPENSES	(7,656)	519,431	145,058	825,056	132,786	210,110	5,503	48,088	18,372	16,626	67,942	8,484
GENERAL & ADMINISTRATIVE												
Office Expense	48	(48)	-	(78)	-	-	-	-	-	-	-	-
Receiver Fees	-	-	-	372,322	-	399,755	74,735	-	128,822	106,410	76,614	40,424
Receiver Expenses	-	-	-	8,526	-	2,156	1,224	-	1,737	1,207	1,915	1,304
Professional Fees	-	-	-	12,727	-	-	-	-	-	-	-	-
Legal Fees	-	-	-	106,118	114,693	87,520	64,462	-	51,937	16,743	18,475	10,260
State Income Tax	-	-	-	-	-	3,973	3,254	-	-	-	-	20,900
Tax Preparation	-	-	-	-	-	-	-	-	6,343	-	-	-
Tax Penalty - State	-	-	-	-	-	-	-	-	-	-	-	-
Tax Interest - State	-	-	-	-	-	-	-	-	-	-	-	-
Non-Employee Compensation	96	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	-	-	-	(6,328)	-	1	-	375	-	-	-	308
TOTAL G & A EXPENSE	144	(48)	-	492,286	114,693	493,405	143,675	375	188,839	124,359	97,003	73,194
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	4,245,321	247,479	705,044	149,177	48,463	207,211	140,986	164,945	81,678
NET INCOME	9,790	512,205	3,900,211	66,010,516	(136,425)	4,431,155	(143,693)	1,096,166	(201,039)	78,930	1,126,844	59,496
Loan Pay - Balances	-	(85,617)	(3,775,129)	(53,243,936)	(24,914)	-	-	-	-	-	(1,167,973)	-
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	13,054,516	13,013,387	13,072,883

01/01/2024 - 03/31/2024	Inception through 03/31/2024										Total 2/10/2021 - 03/31/2024
Q1 2024	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)	Siliconsage Builders, LLC	
13,072,883	-	-	-	-	-	-	-	-	-	-	-
-	-	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	7,926,104	-	13,500,000	-	86,473,184
-	-	(469,000)	(167,911)	-	(161,250)	(23,725)	(357,104)	-	(175,000)	-	(1,353,990)
-	-	(1,081,219)	(30,308)	-	(275,690)	(2,778)	(63,931)	-	(34,241)	-	(1,488,167)
-	-	(195,130)	(809)	-	-	-	(630)	-	(158,707)	-	(355,275)
-	-	(201,302)	-	-	-	-	-	-	(165,500)	-	(366,802)
-	-	51,503,349	3,999,052	-	6,013,060	922,497	7,504,439	-	12,966,553	-	82,908,949
4,068	-	-	-	-	-	16,608	-	-	-	6,160	22,767
64,337	-	-	-	-	-	-	-	-	57,942	-	160,186
-	-	-	-	-	2,021	-	-	-	-	276,813	278,834
68,404	-	-	-	-	2,021	16,608	-	-	57,942	443,158	519,729
68,404	15,552	51,333,148	3,999,052	279,720	6,022,741	939,104	7,504,439	-	13,024,495	443,158	83,561,409
68,404	15,552	51,847,417	3,999,052	279,720	6,022,741	939,104	7,504,439	-	13,024,495	626,815	84,259,335
-	-	-	-	-	-	144	20	3,553	5,423	41	9,182
-	-	-	-	-	-	496,518	75,037	4,500	-	1,150	577,205
12,829	-	-	-	-	16,502	7,456	-	-	-	138,451	162,408
-	-	50,751	-	16,047	-	4,000	-	-	-	(1,095)	69,703
-	-	-	-	-	-	2,009	-	5,989	-	-	7,998
675	-	-	-	-	-	-	-	-	-	-	2,620
-	-	184,071	89,521	95,728	207,824	8,623	187,470	-	393,016	-	1,166,253
-	-	17,224	-	4,500	-	479	-	-	-	(26,794)	(4,591)
-	-	-	-	-	-	-	-	-	-	-	12,525
13,504	-	252,046	89,521	116,276	224,326	519,228	262,527	14,042	398,439	126,899	2,003,304
-	-	(78)	-	-	-	-	-	-	-	-	(78)
52,605	-	536,722	-	-	-	-	-	-	364,177	350,787	1,251,685
869	-	9,452	-	-	-	-	-	-	2,965	-	6,519
-	-	-	-	-	-	-	-	-	-	-	12,727
17,182	-	310,018	-	-	-	-	-	-	-	177,370	487,388
1,050	-	4,100	3,200	-	-	3,450	7,227	-	3,200	8,000	29,177
10,787	-	-	-	-	-	-	-	-	6,343	-	17,130
2,848	-	-	-	-	-	-	-	-	-	2,848	2,848
622	-	-	-	-	-	-	-	-	-	622	622
-	-	-	-	-	-	-	-	-	-	96	96
125	-	(6,328)	-	-	-	125	-	-	-	684	(5,520)
86,088	-	853,886	3,200	-	-	3,575	7,227	-	376,685	570,440	1,815,012
-	-	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
99,592	-	1,664,393	92,721	116,276	1,037,476	524,419	271,283	14,042	2,430,492	697,338	6,848,441
(31,187)	15,552	49,668,755	3,906,330	163,444	4,985,265	414,685	7,233,157	(14,042)	10,594,002	(254,180)	76,712,969
-	-	(40,089,446)	(3,732,425)	(163,444)	(4,850,000)	(19,281)	(1,167,973)	-	(8,275,000)	-	(58,297,569)
-	-	-	-	-	-	-	(5,997,430)	-	-	-	(5,997,430)
-	-	-	-	-	-	-	-	-	4,112	-	4,112
-	-	(78,312)	-	-	-	-	-	-	-	-	(78,312)
-	-	(9,999,429)	-	-	-	(50,571)	-	-	(192,359)	10,242,358	(0)
13,041,696	15,552	15,837	173,905	0	135,265	344,833	67,754	(14,042)	2,130,756	10,171,835	13,041,696

Exhibit 1

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PROOF OF SERVICE

I am over the age of 18 and not a party to the within action; I am employed by Raines Feldman Littrell LLP and its business address is 3200 Park Center Drive, Suite 250, Costa Mesa, California 92626.

On July 16, 2024, I served the following document(s) described as **NOTICE OF ERRATA REGARDING TWELFTH QUARTERLY STATUS REPORT OF THE RECEIVER FOR THE PERIOD FROM JANUARY 1, 2024, THROUGH MARCH 31, 2024**

by placing the true copies thereof enclosed in sealed envelopes addressed as stated on the attached mailing list.

SEE ATTACHED SERVICE LIST

BY COURT VIA NOTICE OF ELECTRONIC FILING (“NEF”): Pursuant to United States District Court, Northern District of California, Local Civil Rule 5, the foregoing document will be served by the court via NEF and hyperlinked to the document. On July 16, 2024, 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.

BY MAIL: I placed said envelope(s) for collection and mailing, following ordinary business practices, at the business offices of Raines Feldman Littrell LLP, and addressed as shown on the attached service list, for deposit in the United States Postal Service. I am readily familiar with the practice of Raines Feldman Littrell LLP for collection and processing correspondence for mailing with the United States Postal Service, and said envelope(s) will be deposited with the United States Postal Service on said date in the ordinary course of business.

BY ELECTRONIC SERVICE: Based on a court order or an agreement of the parties to accept service by electronic transmission, I caused the documents to be sent to the persons at the electronic notification addresses listed in the attached service list.

BY OVERNIGHT DELIVERY: I placed said documents in envelope(s) for collection following ordinary business practices, at the business offices of Raines Feldman Littrell LLP, and addressed as shown on the attached service list, for collection and delivery to a courier authorized by _____ to receive said documents, with delivery fees provided for. I am readily familiar with the practices of Raines Feldman Littrell LLP for collection and processing of documents for overnight delivery, and said envelope(s) will be deposited for receipt by _____ on said date in the ordinary course of business.

BY FACSIMILE: I caused the above-referenced document to be transmitted to the interested parties via facsimile transmission to the fax number(s) as stated on the attached service list.

BY PERSONAL SERVICE: I delivered such envelope(s) by hand to the offices of the addressee(s) in the attached service list.

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

1 (Federal) I declare that I am employed in the office of a member of the bar of this
2 court at whose direction the service was made. I declare under penalty of
perjury that the above is true and correct.

3 Executed July 16, 2024 at Costa Mesa, California.

4 Ja’Nita Fisher

/s/ Ja’Nita Fisher

5 Type or Print Name

Signature

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SERVICE LIST

BY COURT VIA NOTICE OF ELECTRONIC FILING (“NEF”):

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