

**UNITED STATES DISTRICT COURT  
FOR THE Northern District of Illinois – CM/ECF NextGen 1.6.3  
Eastern Division**

United States Securities and Exchange  
Commission, et al.

Plaintiff,

v.

Case No.:  
1:18-cv-05587  
Honorable Manish S.  
Shah

Equitybuild, Inc., et al.

Defendant.

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**NOTIFICATION OF DOCKET ENTRY**

This docket entry was made by the Clerk on Monday, January 9, 2023:

MINUTE entry before the Honorable Manish S. Shah: Certain objectors oppose an order authorizing payment of receiver's fees from allocated property accounts before payment from the general account. From the objectors' perspective, the more money in the property-specific account, the more money available to claimants with claims to the funds in those accounts (likely only secured claimants with higher priority over other claimants). The Receiver and the SEC, however, suggest that payment of fees that are property-specific should come out property accounts so that the benefits provided by the Receiver are charged, as best as possible, against those who most directly benefited from the Receiver's work. This court agrees with the Receiver and the SEC. The point of allocating was to attempt to preserve the distinction between claimants with property-specific interests from other unsecured claimants, but not to create an opportunity for secured claimants to shift Receiver's fees onto the unsecured. The property accounts represent the properties, and if the Receiver's work benefited those properties, the costs are properly borne by those properties. The objectors' interests are narrow and understandable, but when looking at the big picture, this court concludes that both income and expenses tied to the properties should be allocated to the properties. Enter Order. Notices mailed. (psm, )

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