

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
CASE NO.: 21-61176-CIV-SINGHAL

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

PROPERTY INCOME INVESTORS, LLC,
EQUINOX HOLDINGS, INC.,
PROPERTY INCOME INVESTORS 26, LLC,
PROPERTY INCOME INVESTORS 304, LLC,
PROPERTY INCOME INVESTORS 201, LLC,
PROPERTY INCOME INVESTORS 3504, LLC,
PROPERTY INCOME INVESTORS 1361, LLC,
PROPERTY INCOME INVESTORS 4020, LLC,
PROPERTY INCOME INVESTORS 9007, LLC,
PROPERTY INCOME INVESTORS 417, LLC,
PROPERTY INCOME INVESTORS 4450, LLC,
PROPERTY INCOME INVESTORS 3050, LLC,
LARRY B. BRODMAN and ANTHONY
NICOLOSI (f/k/a ANTHONY PELUSO),

Defendants.

**SEVENTH INTERIM OMNIBUS APPLICATION FOR ALLOWANCE AND
PAYMENT OF PROFESSIONALS' FEES AND REIMBURSEMENT OF EXPENSES
FOR OCTOBER 1, 2022 – DECEMBER 31, 2022 PERIOD¹**

Miranda L. Soto, Esq., solely in her capacity as Receiver (the “Receiver”) for Defendants Property Income Investors, LLC; Equinox Holdings, Inc.; Property Income Investors 26, LLC; Property Income Investors 304, LLC; Property Income Investors 201, LLC; Property Income Investors 3504, LLC; Property Income Investors 1361, LLC; Property Income Investors 4020, LLC; Property Income Investors 9007, LLC; Property Income

¹ See Order Appointing Receiver (Doc. 10) at ¶ 54.

Investors 417, LLC; Property Income Investors 4450, LLC; and Property Income Investors 3050, LLC (collectively, the “Receivership Entities”), moves this Court for the entry of an order awarding fees and reimbursement of costs to the Receiver and her professionals whose retention has been approved by the Court. *See* Doc. 10 ¶ 2. This motion covers all fees and costs incurred from October 1, 2022, through December 31, 2022 (the “Application Period”). The Securities and Exchange Commission’s (the “SEC” or “Commission”) Standardized Fund Accounting Report (“SFAR”) for this period is attached hereto as **Exhibit 1**. In support thereof, the Receiver states as follows:

I. Preliminary Statement

The Receiver and her professionals have continued to work expeditiously and efficiently to provide valuable services, secure and continue to monetize investor assets, and begin the process of returning funds to creditors with approved claims. Given the public interest nature of this proceeding, the Receiver and her professionals have performed this work at significantly reduced rates. Pursuant to the Order Appointing Receiver, the Receiver and her professionals are entitled to reasonable payment of the fees and reimbursement of their expenses.

The Receiver seeks Court approval to pay the sum of **\$44,206.25** to the Receiver and the professionals she engaged for fees incurred and reimbursement of **\$1,532.09** in expenses for a total payment of **\$45,738.34**. This Application includes time billed from October 1, 2022 through December 31, 2022. The professionals who seek payment hereunder have agreed not to bill any time incurred prior to the Receiver’s (or their own) appointment.

For the time covered by this Motion,² among other things, the Receiver and her professionals have accomplished the following:

- Communicated with numerous investors regarding their returned Proof of Claim Forms and documentation;
- Processed Proof of Claim Forms and related documentation for investor claimants who did not dispute the calculations provided by Receiver's CPA professionals;
- Analyzed Proof of Claim Forms and related documentation for investor claimants who disputed calculations and review and analyzed the supplemental information provided in support of claimed investment amounts;
- Worked with Receiver's CPA professionals to determine the extent of claims determinations to present a claims analysis to the Court, including an evaluation of the transfers of money between Equinox and PII entities, the specific calculations for individual investor claims, individual issues with tax returns for the PII Entities, K1s for the PII Entities, including addressing individual investor concerns regarding tax issues and K1s;
- Updated Receiver's website and communicated regularly with investors regarding status of review of claimant documents and Receivership;
- Continued investigation into operation of Receivership Entities, including analysis of business operations, investor files and offering documents, and financial activity;
- Continued review of potential third-party claims to recover investor assets wrongfully misappropriated and/or fraudulently transferred;
- Communicated with SEC counsel regarding settlements with Mr. Brodman and Mr. Nicolosi and investigated action on behalf of Receivership to collect the settlement proceeds owed to the Receivership Estate;
- Responded to phone calls and written communications from investors, other interested parties and/or their representatives; and,
- Prepared and filed the Receiver's Sixth Interim Report on October 31, 2022 (Doc. 105), which provided a comprehensive summary, analysis, and supporting documentation of the Receiver's observations, continuing investigation, and contemplated next steps.

² Neither the Receiver nor her attorneys charged for the time spent preparing this motion.

The above activities are discussed in detail in the Receiver's Seventh Interim Report, which was filed on January 31, 2023 (Doc. 108) (the "Seventh Report"), and more fully describes the case background and status; the recovery and disposition of assets; financial information on Receivership Entities; the proposed course of action to be taken regarding assets in the Receivership estate; and contemplated litigation involving Receivership Entities. The Seventh Report and previous Reports are available at www.propertyireceivership.com. The Receiver incorporates the Seventh Report into this Application and attaches a true and correct copy of that report as **Exhibit 2** for the Court's convenience.

II. Background

On June 7, 2021, the Commission filed a complaint (Doc. 1) (the "Complaint") in the United States District Court for the Southern District of Florida (the "Court") against Defendants Larry Brodman, Anthony Nicolosi f/k/a Anthony Peluso, and the Receivership Entities. The Commission alleged that Defendant Brodman and the Receivership Entities raised at least \$9 million from over 150 investors who were told that their funds would be used almost entirely to purchase "turnkey, multifamily properties" in South Florida which would then be renovated, rented to tenants, and eventually sold. *Id.* ¶ 3. Investors were also told that they would be entitled to receive a portion of the rental income and any sale proceeds generated from the Property(ies) they were investing in.

Although a portion of investor funds were used to purchase various properties in the South Florida area, the Commission alleged that Defendant Brodman and the PII entities misappropriated and diverted over \$2 million in investor funds, extensively commingled investor funds, and in some instances used investor funds to make purported "profit" payments

and distributions to other investors. Doc. 10 ¶¶ 4, 70-71. The Commission alleged that, despite statements in the offering materials that commissions would only be paid to licensed brokers, at least \$1.2 million in investor funds were used to pay undisclosed sales commissions to unlicensed sales agents including Defendant Nicolosi. *Id.* ¶¶ 68-69. On June 15, 2021, the Court granted the Commission’s Motion for Appointment of Receiver and entered an Order appointing Miranda L. Soto as the Receiver over the Receivership Entities (“Order Appointing Receiver”) (Doc. 10). The Receiver has commenced with her initial investigation and has also taken a number of actions to preserve and safeguard Receivership documents and assets.

Relevant to this Application, the Order Appointing Receiver authorizes the Receiver to appoint professionals to assist her in “exercising the power granted by this Order ...” See Order Appointing Receiver at ¶ 52. Moreover, the Receiver and her professionals are entitled to reasonable compensation and expense reimbursement from the assets of the Receivership Entities, subject to approval of the Court. *Id.* ¶ 53.

III. Professional Services

Paragraph 52 of the Order Appointing Receiver provides that:

the Receiver is authorized to solicit persons and entities (“Retained Personnel”) to assist Receiver in carrying out the duties and responsibilities described in this Order. Except for counsel retained by the Receiver pursuant to Paragraph 2 of this Order, the Receiver shall not engage any Retained Personnel without first obtaining an Order of the Court authorizing such engagement.

Paragraph 2 of the Order authorized the Receiver to retain specific counsel Raquel A. Rodriguez, Esq. and Jordan D. Maglich, Esq. with the law firm of Buchanan Ingersoll & Rooney PC (“Buchanan Ingersoll”) as counsel. Ms. Rodriguez and Mr. Maglich entered their respective Notices of Appearance on June 16, 2021 (Docs. 12-13). The Receiver subsequently

received approval to engage additional Retained Professionals to provide legal, forensic accounting and tax, information technology, and website services (Doc. 19).

As described in the quarterly Interim Reports, the Receiver and her Retained Personnel have provided services and incurred expenses to investigate the affairs of the Receivership Entities, preserve the Receivership assets, and attempt to locate and recover additional assets. These services are for the benefit of defrauded investors, creditors, and other interested parties of the Receivership Entities. Due to the recoveries described herein, the Receiver represents there are funds available to pay her Retained Personnel, which will not take away resources from operating, maintaining, and preserving the Receivership Entities' assets.

The Order Appointing Receiver further set forth the frequency and procedures pursuant to which the Receiver was to seek compensation and expense reimbursement for the Receiver and her Retained Personnel. Doc. 10 ¶¶ 53-54. In accordance with the Commission's Billing Instructions, the Receiver states as follows:

- (a) Time period covered by the Application:** October 1, 2022 – December 31, 2022.
- (b) Date of Receiver's appointment:** June 15, 2021.
- (c) Date services commenced:** June 15, 2021.
- (d) Names and rates of all professionals:** See Exs. 5-6.
- (e) Interim or Final Application:** Interim.
- (f) Records supporting fee application:** See below.

The following exhibits are provided in accordance with the Billing Instructions:

Exhibit 3: Receiver's Certification

Exhibit 4: Total compensation and expenses requested; any amounts previously requested; and total compensation and expenses previously awarded

Exhibit 5: Fee Schedule: Names and Hourly Rates of Professionals and Paraprofessionals & Total Amount Billed for each Professional and Paraprofessional:

Exhibit 5(a): Buchanan Ingersoll & Rooney PC (services provided by Receiver Miranda L. Soto)

Exhibit 5(b): Buchanan Ingersoll & Rooney PC (services provided by counsel to Receiver Miranda L. Soto)

Exhibit 5(c): Kaufman & Company, P.A.

Exhibit 6: The Professionals' time records for the time period covered by this Application, sorted in chronological order, including a summary and breakdown of the requested reimbursement of expenses:

Exhibit 6(a): Buchanan Ingersoll & Rooney PC (services provided by Receiver Miranda L. Soto)

Exhibit 6(b): Buchanan Ingersoll & Rooney PC (services provided by counsel to Receiver Miranda L. Soto)

Exhibit 6(c): Kaufman & Company, P.A.

IV. Case Status

(a) Cash on hand

The amount of cash on hand in the Receivership's fiduciary bank accounts opened at ServisFirst Bank (the "ServisFirst Accounts") as of the date of filing this Application is **\$4,942,611.46**. To date, the primary sources of deposits in the ServisFirst Accounts were: (i) the frozen balances of the Receivership Entities' bank accounts previously held at JP Morgan Chase Bank N.A.; (ii) the funds previously held by Kelley & Grant, P.A. representing escrowed sale proceeds of two properties sold by the Receivership Entities prior to the

Receiver's appointment; (iii) monthly deposits from Keyes Property Management, LLC representing net monthly rental proceeds after subtracting necessary repair and maintenance costs as well as property management charges; and (iv) proceeds of the sales of all real property including: (i) 3775 NW 116th Terrace, Coral Springs, Florida 33065; (ii) 1361 SE 4th Street, Deerfield Beach, Florida 33064; (iii) 530 NE 34th Street, Pompano Beach, FL 33064; (iv) 4020 Riverside Drive, Coral Springs, Florida 33065; (v) 4450 Coral Springs Drive, Coral Springs, FL, 33065; (vi) 3050 Coral Springs Drive, Coral Springs, FL, 33065; and (vii) 201 East 30th Street, Riviera Beach, FL, 33404. The only disbursements to date for the benefit of the Receivership Entities have been various expenses in the ordinary course of administering and operating the Receivership, including expenses advanced by the Receiver that were necessary to maintain, preserve, and market the Properties, the renewal of expiring property and casualty insurance policies, the obtaining of windstorm insurance, payment of 2021 property taxes, and costs to store and dispose of non-real estate Receivership Property.

(b) Summary of the administration of the case

Since her appointment on June 15, 2021, the Receiver has administered the case with the objective of efficiently fulfilling her duties under the Order Appointing Receiver while doing so in a cost-efficient manner by, wherever possible, leveraging the use of non-billing professionals or professionals with lower rate structures. After initially prioritizing the securing and marshaling of assets for the benefit of creditors, including securing the Properties and retaining a property management company services for the Properties, the Receiver and her Retained Personnel have focused on investigating the Receivership Entities' prior operations and performance, marketing and listing the Properties for sale, requesting and

obtaining Court approval for a claims process framework and sending out claims packets to 158 investors. At this time, Receiver is unable to offer an estimate as to when the case is expected to close.

(c) Summary of creditor claims proceedings

On December 31, 2021, the Receiver filed her Claims Motion in which she submitted a proposed formal claims process for Court approval, and responses were due on or before January 14, 2022. A copy of the Claims Motion was posted on the Receiver's website at www.propertyreceivership.com. In short, the Claims Motion seeks Court approval of the procedures and framework for the Receiver's administration of a claims process, including notice and publication procedures, a proposed Proof of Claim Form and the method by which claims will be calculated, and the deadline for submitting any potential claim for the Receiver's review. On April 14, 2022, the Court granted the Claims Motion. (Doc. 77).

On June 30, 2022, the Receiver sent out claims forms, together with instructions on submitting 158 claims. The bar date for submitting claims was September 28, 2022. The Receiver and her counsel received and responded to numerous calls and emails from investors with questions regarding the claims process, as well as new information regarding the investments in the Receivership Properties. The Receiver has already commenced review of all timely submitted claims and will present her determinations of each claim for the Court's approval. Such proposed determination will include (i) whether or not the claim should be approved in part or in full and (ii) whether the claim should be subject to a higher or lower priority than other claims. That motion will also include a proposed objection procedure to be followed by any claimant dissatisfied with the Court's approval of the Receiver's

determination of their claim. To be clear, the Receiver has not yet made any determination as to whether there will be a need for multiple classifications of claims.

(d) Description of assets

In addition to the descriptions provided herein, for detailed information about the assets of the receivership estate, including the anticipated or proposed disposition of the assets, the Receiver respectfully refers the Court and interested parties to the Seventh Interim Report attached hereto as **Exhibit 2**.

(e) Description of liquidated and unliquidated claims held by the Receiver

The Receiver continues to evaluate the potential claims the Receivership Entities may have against third parties. These claims remain subject to the Receiver's ongoing investigation with the assistance of her legal and forensic professionals. The Receiver also continues to review potential causes of action against the principals of the Receivership Entities and various third parties. These claims may include common law claims and claims under fraudulent transfer statutes. While the Receiver cannot yet predict the likelihood, amount or cost-effectiveness of particular claims or the claims as a whole, the Receiver continues to diligently evaluate claims against third parties.

IV. Services Provided And Compensation Sought By The Professionals

(a) Services Provided By the Receiver and Buchanan Ingersoll

The Receiver is a shareholder at the law firm of Buchanan Ingersoll & Rooney PC, has been Board Certified in Civil Trial law since 2016, and has significant experience in litigation and complex commercial matters including private equity and hedge fund claims, complex fraud matters, and professional and legal malpractice. As set forth in the Order

Appointing Receiver, the Court authorized the Receiver to retain the services of Raquel A. Rodriguez and Jordan D. Maglich³ to serve as her legal counsel (collectively, the Receiver's "Counsel").⁴ As an accommodation to the Receiver and given the public interest nature of this matter, Buchanan Ingersoll agreed to reduce the billing rate of the Receiver and her professionals for this case as provided in the Fee Schedules attached hereto as **Exhibit 5(a)** and **Exhibit 5(b)** which was, on average, at least 30% - 50% lower (and in some instances, significantly lower) than the customary rate charged to clients. For purposes of just this Application, these discounts resulted in a total reduction of at least \$50,000 from the rates customarily charged by Buchanan Ingersoll attorneys to clients.

During the applicable fee period, the standard hourly rate which the Receiver charges clients ranges from \$555 to \$650. However, the Receiver agreed that for purposes of her appointment as the Receiver, her hourly rate would be reduced to \$295.00 per hour, representing a discount of approximately (or over) 50% percent off the standard hourly rate which she charges clients in comparable matters. This rate was set forth in the Commission's Motion to Appoint Receiver, which the Court granted on June 15, 2021 (Doc. 10).

During the time covered by this motion, the Receiver expended **25.10** hours of legal services⁵ but only seeks compensation for 23.5 hours, which totals **\$6,887.50** in legal fees. The Receiver incurred expenses in the amount of **\$1,252.83**. A copy of the statement

³ As of April 1, 2022, Mr. Maglich resigned from Buchanan Ingersoll to take an in-house counsel position and has been granted leave to withdraw from this matter. Lauren V. Humphries, an attorney in the firm's Tampa office, has assumed Mr. Maglich's role in the case.

⁴ The Receiver was subsequently authorized to utilize additional Buchanan Ingersoll professionals where necessary and at a similar rate discount. (Doc. 19.)

⁵ Receiver's paralegal expended .5 hours of legal services on behalf of the Receiver, which is reflected on the invoice for Receiver's services.

summarizing the services rendered by the Receiver is attached hereto as **Exhibit 6(a)**. The Receiver requests the Court award her fees for professional services rendered from October 1, 2022, through December 31, 2022, in the amount of **\$8,140.33**.

During the period covered by this Application, Buchanan Ingersoll billed **130.10** hours in assisting the Receiver in fulfilling her duties under the Order Appointing Receiver but only seeks compensation for **127.7** of those hours, which totals **\$29,994.50** in legal fees. Each of the Receiver's primary Counsel agreed to reduce their hourly rate to \$295.00 per hour, which is significantly less than the current hourly rate charged during the applicable period by Raquel A. Rodriguez (\$995.00 per hour) and Lauren V. Humphries (\$450.00 per hour). Buchanan Ingersoll also incurred **\$279.26** in costs during the reporting period. Whenever possible, the Receiver and her Counsel were also able to minimize billable time by leveraging the use of non-billing or lower-rate professionals for a significant range of activity. The statement summarizing the services rendered by Buchanan Ingersoll is encompassed within **Exhibit 6(b)** attached hereto. The Receiver requests that the Court award Buchanan Ingersoll fees for professional services rendered from October 1, 2022, through December 31, 2022, in the amount of **\$30,274.26**.

The work performed by the Receiver and her legal professionals with Buchanan Ingersoll has been focused on investigating the fraud and related activities underlying this matter; locating, preserving, and liquidating Receivership assets; and investigating and pursuing additional assets for the Receivership as detailed in the Seventh Interim Report. These services were incurred in connection with the administration of the Receivership and are for the benefit of aggrieved investors, creditors, and other interested parties of the

Receivership Entities. All of the services for which compensation is sought were incurred in the best interests and behalf of the Receivership Entities and in furtherance of the Receiver's duties, and in performing the Receiver's responsibilities under the Order Appointing Receiver.

(b) Services Provided By Kaufman & Company, P.A.

The Receiver obtained Court approval to retain the services of Kaufman & Company, P.A. ("Kaufman") to provide forensic accounting and tax services. Kaufman has significant experience providing forensic and tax services in fraud investigations, including in receivership matters arising from enforcement actions brought by the Commission. As set forth in the Receiver's Retention Motion, Kaufman agreed to provide a 25% discount from the standard rates charged by its professionals. Dana Kaufman, who is a director and will be primarily responsible for this matter, normally charges an hourly rate of \$450.00 but has agreed to discount his hourly rate to \$337.50. Kaufman also agreed to discount the hourly rates charged by associates, senior associates, and managers from \$250.00, \$275.00, and \$375.00 to \$187.50, \$206.25, and \$281.25, respectively. (Doc. 16.)

The Receiver has relied on Kaufman's extensive experience in forensic accounting and tax matters to assist her in understanding the complex relationship between the various Receivership Entities as well as to account for the numerous inflows and outflows over the preceding eight-year period for which the Receiver has obtained voluminous banking statements. These services were instrumental to helping the Receiver understand and account for the flow of funds between the various entities and will also be necessary to assist the Receiver in formulating the appropriate method and process for distributing funds back to investors and interested parties with approved claims. Kaufman's work already has been

materially helpful to the Receiver in providing the necessary calculations of net losses per investor. Kaufman also prepared the K-1's due to investors for 2021 as well as tax returns for each of the Receivership Entities for the tax years 2020 and 2021.

During the period covered by this Application, Kaufman expended 36.4 hours but only billed the Receiver for 22.7 hours in the sum of **\$7,323.75** in fees and \$0 in costs, for assisting the Receiver in fulfilling her duties under the Order Appointing Receiver. A copy of the full composite statement summarizing the services rendered by Kaufman is attached hereto as **Exhibit 6(c)**. The Receiver requests that the Court award Kaufman & Company, P.A. fees for professional services rendered from October 1, 2022, through December 31, 2022 for a total amount of **\$7,323.75**.

MEMORANDUM OF LAW

A receiver appointed by a court who reasonably and diligently discharges her duties is entitled to be fairly compensated for services rendered and expenses incurred. *See SEC v. Elliott*, 953 F.2d 1560 (11th Cir. 1992) (“[I]f a receiver reasonably and diligently discharges her duties, [she] is entitled to compensation.”); *Donovan v. Robbins*, 588 F. Supp. 1268, 1272 (N.D. Ill. 1984) (“[T]he receiver diligently and successfully discharged the responsibilities placed upon her by the Court and is entitled to reasonable compensation for her efforts.”); *SEC v. Custable*, 1995 WL 117935 (N.D. Ill. Mar. 15, 1995) (receiver is entitled to fees where work was of high quality and fees were reasonable); *SEC v. Mobley*, 2000 WL 1702024 (S.D.N.Y. Nov. 13, 2000) (court awarded reasonable fees for the receiver and her professionals). In determining reasonable compensation for the services rendered by the

Receiver and her professionals, the Court should consider the circumstances surrounding the receivership. *See Elliot*, 953 F.2d at 1577.

In addition to fees, the receiver is “also entitled to be reimbursed for the actual and necessary expenses” that the receiver “incurred in the performance of [its] duties.” *FTC v. Direct Benefits Grp., LLC*, 2013 WL 6408379, at *3 (M.D. Fla. 2013). The Receiver and her professionals support their claims for reimbursement of expenses with “sufficient information for the Court to determine that the expenses are actual and necessary costs of preserving the estate.” *SEC v. Kirkland*, 2007 WL 470417, at *2 (M.D. Fla. 2007) (citing *In re Se. Banking Corp.*, 314 B.R. 250, 271 (Bankr. S.D. Fla. 2004)).

Here, because of the nature of this case, it was and remains necessary for the Receiver to employ professionals experienced and familiar with financial frauds, federal receiverships, securities laws, finance, and real estate. Further, in order to perform the services required and achieve the results obtained to date, the skills and experience of the Receiver and the professionals were indispensable.

The Receiver and her Retained Personnel have each discounted their normal and customary rates as an accommodation to the Receivership and to conserve Receivership assets. The rates charged by the attorneys and paralegals are at or below those charged by attorneys and paralegals of comparable skill from other law firms in the Southern District of Florida. This case has been time-intensive for the Receiver and her Retained Personnel because of the need to resolve many issues rapidly and efficiently. The attached Exhibits detail the time, nature and extent of the professional services rendered by the Receiver and her Retained Personnel for the benefit of investors, creditors, and other interested parties. The

Receiver anticipates that additional funds will be obtained through the Receiver's further efforts and potential litigation with third parties.

The Receiver is sensitive to the need to conserve the Receivership Entities' assets and respectfully submits that the fees and costs expended to date were reasonable, necessary, and benefited the Receivership. Notably, the Commission has no objection to the relief sought in this motion. *Custable*, 1995 WL 117935, *7 ("In securities law receiverships, the position of the SEC in regard to the awarding of fees will be given great weight.").

CONCLUSION

Under the terms and conditions of the Order Appointing Receiver, the Receiver, among other things, is authorized, empowered, and directed to engage professionals to assist her in carrying out her duties and obligations. The Order further provides that she apply to the Court for authority to pay herself and her Retained Personnel for services rendered and costs incurred. In exercising her duties, the Receiver has determined that the services rendered and their attendant fees and costs were reasonable, necessary, advisable, and in the best interest of the Receivership.

WHEREFORE, Miranda L. Soto, the Court-appointed Receiver, respectfully requests that this Court award the following sums and direct that payment be made from the Receivership assets:

Miranda L. Soto, as Receiver	\$8,140.33
Buchanan Ingersoll & Rooney PC	\$30,274.26
Kaufman & Company	\$7,323.75

A proposed Order is attached as **Exhibit 7**.

WHEREFORE, the Receiver seeks entry of an Order granting this motion and awarding the Receiver and her professionals their interim fees, reimbursement of costs, and for such other relief that is just and proper.

LOCAL RULE 7.1(a)(3) CERTIFICATION

Pursuant to Local Rule 7.1(a)(3), the undersigned certifies that counsel for the Receiver conferred with counsel for the Commission and counsel for Defendants Anthony Nicolosi and Larry Brodman prior to filing this Motion. Counsel for the Commission has indicated they do not object to the requested relief, while counsel for Defendants Brodman and Nicolosi indicated their clients take no position on the requested relief.

Respectfully submitted,

BUCHANAN INGERSOLL & ROONEY PC

A handwritten signature in blue ink that reads "Lauren Humphries". The signature is written in a cursive style and is positioned above a horizontal line.

Lauren Humphries
Florida Bar No.: 117517
Raquel A. Rodriguez
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Attorneys for Receiver Miranda L. Soto

CERTIFICATE OF SERVICE

I hereby certify that on February 15, 2023, I electronically filed the foregoing with the Clerk of the Court by using the CM/ECF system which will send a Notice of Electronic Filing to the following counsel of record:

Alice Sum, Esq.
Securities and Exchange Commission
801 Brickell Avenue, Suite 1950
Miami, Florida 33131
Counsel for Plaintiff

Mark C. Perry, Esq.
2400 East Commercial Blvd., Ste 201
Fort Lauderdale, Florida 33308
Counsel for Defendant, Anthony Nicolosi, fka Anthony Peluso

I further certify that on February 15, 2023, a true and correct copy of the foregoing was sent via electronic mail to the following:

Carl F. Schoeppl, Esq.
Schoeppl Law, P.A.
4651 North Federal Highway
Boca Raton, Florida 33431-5133
E-mail: carl@schoeppllaw.com
Counsel for Defendant Larry Brodman



Attorney

EXHIBIT "1"

Miranda L. Soto
2 South Biscayne Blvd, Suite 1500
Miami, FL 33131-1822
(305) 347-4080

STANDARDIZED FUND ACCOUNTING REPORT

Civil - Receivership Fund

Property Income Investors, LLC et al.
Civil Court Docket No. 21-61176-CIV-SINGHAL

Reporting Period 10/1/2022 to 12/31/2022

KAUFMAN & COMPANY P.A.
CERTIFIED PUBLIC ACCOUNTANTS
EXPERIENCE • INTEGRITY • TRUST

**REPORT OF KAUFMAN & COMPANY ON THE
STANDARDIZED FUND ACCOUNTING REPORT**

Miranda L. Soto,
Receiver for Property Income Investors, LLC et. al.
Miami, FL

Miranda L. Soto, in her capacity as Receiver for Property Income Investors, LLC et al., is responsible for the accompanying Standardized Fund Accounting Report ("SFAR") for the period October 1, 2022 to December 31, 2022 included in the accompanying prescribed form in accordance with requirements prescribed by *Exhibit A to the Billing Instructions for Receivers in Civil Actions Commenced by the U.S. Securities and Exchange Commission*. The Report Instructions indicate that the SFAR "should be prepared on a cash basis which is a comprehensive basis of accounting other than generally accepted accounting principles". We have performed a compilation engagement in accordance with *Statements on Standards for Accounting and Review Services* promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the SFAR included in the accompanying prescribed form nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by Ms. Soto and her representatives. We do not express an opinion, a conclusion, nor provide any assurance on the SFAR included in the accompanying prescribed form.

The SFAR included in the accompanying prescribed form is presented in accordance with the requirements of *Exhibit A to the Billing Instructions for Receivers in Civil Actions Commenced by the U.S. Securities and Exchange Commission* and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

This report is intended solely for the information and use of Ms. Soto and the U.S. Securities and Exchange Commission and is not intended to be and should not be used by anyone other than these specified parties.

Kaufman & Company P.A.
Kaufman & Company P.A.
Miami, FL
February 1, 2023

1001 Brickell Bay Drive
Suite 2650
Miami, FL 33131

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Standardized Fund Accounting Report for
Miranda L. Soto as Receiver for Property Income Investors, LLC et al. - Cash Basis
Receivership; Civil Court Docket No. 21-61176-CIV-SINGHAL
Reporting Period 10/1/2022 to 12/31/2022

FUND ACCOUNTING (See Instructions):		Detail	Subtotal	Grand Total
Line 1	Beginning Balance (As of 07/1/2022):			\$ 5,168,783
Increases in Fund Balance:				
Line 2	Business Income			
Line 3	Cash and Securities			
Line 4	Interest/Dividend Income	Schedule 14a - 2	16,422	
Line 5	Business Asset Liquidation	Schedule 14a - 2		
Line 6	Personal Asset Liquidation	(sub 2 of 6)	11,256	
Line 7	Third-Party Litigation Income			
Line 8	Miscellaneous - Other			
Total Funds Available (Line 1 - 8):			27,678	5,196,461
Decreases in Fund Balance:				
Line 9	Disbursements to Investors			
Line 10	Disbursements for Receivership Operations			
Line 10a	Disbursements to Receiver or Other Professionals	Schedule 10a	(253,663)	
Line 10b	Business Asset Expenses	Schedule 14a - 1	(186)	
Line 10c	Personal Asset Expenses			
Line 10d	Investment Expenses			
Line 10e	Third-Party Litigation Expenses			
	1. Attorney Fees			
	2. Litigation Expenses			
	Total Third-Party Litigation Expenses			
Line 10f	Tax Administrator Fees and Bonds			
Line 10g	Federal and State Tax Payments			
Total Disbursements for Receivership Operations			(253,849)	(253,849)
Line 11	Disbursements for Distribution Expenses Paid by the Fund:			
Line 11a	Distribution Plan Development Expenses:			
	1. Fees:			
	Fund Administrator			
	Independent Distribution Consultant (IDC)			
	Distribution Agent			
	Consultants			
	Legal Advisors			
	Tax Advisors			
	2. Administrative Expenses			
	3. Miscellaneous			
	Total Plan Development Expenses			
Line 11b	Distribution Plan Implementation Expenses:			
	1. Fees:			
	Fund Administrator			
	IDC			
	Distribution Agent			
	Consultants			
	Legal Advisors			
	Tax Advisors			
	2. Administrative Expenses			
	3. Investor Identification:			
	Notice/Publishing Approved Plan			
	Claimant Identification			
	Claims Processing			
	Web Site Maintenance/Call Center			
	4. Fund Administrator Bond			
	5. Miscellaneous			
	6. Federal Account for Investor Restitution			
	(FAIR) Reporting Expenses			
	Total Plan Implementation Expenses			
Total Disbursements for Distribution Expenses Paid by the Fund				
Line 12	Disbursements to Court/Other:			
Line 12a	Investment Expenses/Court Registry Investment			
	System (CRIS) Fees			
Line 12b	Federal Tax Payments			
Total Disbursements to Court/Other:				(253,849)
Total Funds Disbursed (Lines 9 - 11)				
Line 13	Ending Balance (As of 09/30/2022)			\$ 4,942,612

*

Standardized Fund Accounting Report for
Miranda L. Soto as Receiver for Property Income Investors, LLC et al. - Cash Basis
Receivership; Civil Court Docket No. 21-61176-CIV-SINGHAL
Reporting Period 10/1/2022 to 12/31/2022

FUND ACCOUNTING (See Instructions):		Detail	Subtotal	Grand Total
Line 14	Ending Balance of Fund - Net Assets:			
Line 14a	Cash & Cash Equivalents	14a	\$ 1,607,860	
Line 14b	Investments	14b	3,334,752	
Line 14c	Other Assets or Uncleared Funds			
	Total Ending Balance of Fund - Net Assets			\$ 4,942,612
OTHER SUPPLEMENTAL INFORMATION:		Detail	Subtotal	Grand Total
Line 15	Report of Items Not To Be Paid by the Fund			
	Disbursements for Plan Administration Expenses Not Paid by the Fund:			
Line 15a	Plan Development Expenses Not Paid by the Fund			
	1. Fees:			
	Fund Administrator			
	IDC			
	Distribution Agent			
	Consultants			
	Legal Advisors			
	Tax Advisors			
	2. Administrative Expenses			
	3. Miscellaneous			
	Total Plan Development Expenses Not Paid by the Fund			
Line 15b	Plan Implementation Expenses Not Paid by the Fund			
	1. Fees:			
	Fund Administrator			
	IDC			
	Distribution Agent			
	Consultants			
	Legal Advisors			
	Tax Advisors			
	2. Administrative Expenses			
	3. Investor Identification:			
	Notice/Publishing Approved Plan			
	Claimant Identification			
	Claims Processing			
	Web Site Maintenance/Call Center			
	4. Fund Administrator Bond			
	5. Miscellaneous			
	6. Federal Account for Investor Restitution (FAIR) Reporting Expenses			
	Total Plan Implementation Expenses Not Paid by the Fund			
Line 15c	Tax Admittatur Fees & Bonds Not Paid by the Fund:			
	Total Disbursements for Plan Administration Expenses Not Paid by the Fund			
Line 16	Disbursements to Court/Other Not Paid by the Fund:			
Line 16a	Investment Expenses/CRIS Fees			
Line 16b	Federal Tax Payments			
	Total Disbursements to Court/Other Not Paid by the Fund			
Line 17	DC & State Tax Payments			
Line 18	No of Claims			
Line 18a	# of Claims Received This Reporting Period			
Line 18b	# of Claims Received Since Inception of Fund			
Line 19	No of Claimants/Investors:			
Line 19a	# of Claimants/Investors Paid This Reporting Period			
Line 19b	# of Claimants/Investors Paid Since Inception of Fund			

Receiver:
 By: _____
 Title _____
 Date _____

Schedule 10a

**Property Income Investors, LLC et al.
Civil Court Docket No. 21-61176-CIV-SINGHAL
Reporting Period 10/1/2022 to 12/31/2022
Disbursements to Receiver or Other Professionals**

Disbursements made from:

Receivership Money Market *from Schedule 14a-2* (253,663)

Total Disbursements to Receiver or Other Professionals

\$ (253,663)
to Page 1 Line 10a

Schedule 14a

**Property Income Investors, LLC et al.
Civil Court Docket No. 21-61176-CIV-SINGHAL
Reporting Period 10/1/2022 to 12/31/2022**

	<i>Reference</i>		
Receivership Operating account	14a - 1	\$	24,861
Money Market account	14a - 2		3,334,752
1361 LLC Checking account	14a - 1 (sub 1 of 6)		1,083
Property Income Investors LLC Check	14a - 1 (sub 2 of 6)		11,716
4020 LLC Checking account	14a - 1 (sub 3 of 6)		844
3504 LLC Checking account	14a - 1 (sub 4 of 6)		123
4450 LLC Checking account	14a - 1 (sub 5 of 6)		-
304 LLC Checking Account	14a - 1 (sub 6 of 6)		1,569,233
Keyes Property Manager Account	2		<u>-</u>
Total Cash and investments		\$	<u><u>4,942,612</u></u>
Cash in receivership accounts		\$	1,607,860 <i>to Page 2</i>
Investments			<u>3,334,752</u> <i>to Schedule 14b</i>
Total Cash and investments		\$	<u><u>4,942,612</u></u>

Schedule 14b

Property Income Investors, LLC et al.
Civil Court Docket No. 21-61176-CIV-SINGHAL
Reporting Period 10/1/2022 to 12/31/2022

Money Market account

14a - 2

\$ 3,334,751.90 *from Schedule 14a*

To Page 2

Schedule 14a -1

Property Income Investors, LLC et al.
Civil Court Docket No. 21-61176-CIV-SINGHAL
 Reporting Period 10/1/2022 to 12/31/2022

Activity in Receivership Operating Bank Account

Balance 10/1/2022		\$	53,708	
Deposits -				
10/6/2022 Transfer from PII 304			71,032	<i>Schedule 14a - 2 (Sub 6 of 6)</i>
12/6/2022 Transfer from Money Market Account			168,302	<i>Schedule 14a - 2</i>
Professional Fees -				
10/6/2022 BIPC - Legal	\$		(71,032)	
10/6/2022 Kaufman & Company - Accounting			(14,331)	
12/6/2022 BIPC - Legal			(68,978)	
12/6/2022 BIPC - Legal			(34,512)	
12/6/2022 Kaufman & Company - Accounting			<u>(64,811)</u>	
				(253,664) <i>to Schedule 10a</i>
10/21/2022 Duplicate - see Money Market Account				(14,331) <i>From Schedule 14a - 2</i>
Quickbooks				
October	30			
November	30			
December	<u>30</u>			
	90			(90) (a)
Bank Charges				
October	30			
November	40			
December	<u>26</u>			
	96			<u>(96)</u> (a)
Balance 12/31/2022		\$	<u>24,860</u>	<i>to Schedule 14a</i>
Business Expenses				
(a) Business expenses for the quarter ended 12/31/2022	(a)	\$	(186)	<i>above</i>
Total Business Expenses for the quarter ended December 31, 2022		\$	<u>(186)</u>	<i>to Page 1</i>

Schedule 14a - 2

**Property Income Investors, LLC et al.
 Civil Court Docket No. 21-61176-CIV-SINGHAL
 Reporting Period 10/1/2022 to 12/31/2022**

Activity in Receivership Money Market Account

Balance in Receivership Money Market Account 10/1/2022		\$ 3,472,300	
Interest income			
October	2,952		
November	6,339		
December	7,131		
Interest for the quarter		16,422	<i>to Line 4 Interest/Dividend Income</i>
Deposits			
10/31/2022 Refund of duplication - See Checking Ac	14,331		
Deposits other than interest for the quarter		14,331	<i>to Schedule 14a - 1</i>
Transfer to Checking Account	12/6/2022		
		(168,301)	
Balance 12/31/2022		\$ 3,334,752	

Schedule 14a - 2 (Sub 1 of 6)
Property Income Investors, LLC et al.
Civil Court Docket No. 21-61176-CIV-SINGHAL
Reporting Period 10/1/2022 to 12/31/2022

Activity in 1361 LLC Checking Account ac 9029

Balance 10/1/2022 \$ 1,083

NO ACTIVITY FOR THE QUARTER ENDED 12/31/2022

Balance 12/31/22 *to Sch 14a* \$ 1,083

Schedule 14a - 2 (Sub 2 of 6)
Property Income Investors, LLC et al.
Civil Court Docket No. 21-61176-CIV-SINGHAL
Reporting Period 10/1/2022 to 12/31/2022

Activity in Property Income Investors LLC Checking Account ac 8955

Balance 10/1/2022		\$	460
Deposits from Buchanan Ingersoll & Rooney PC			
11/3/2022	(a)		719
11/3/2022	(a)		10,000
11/3/2022	(a)		537
			11,256
Balance 12/31/22		<i>to Sch 14a</i>	\$ 11,716
Business Asset Liquidation to Page 1		(a) \$	11,256

(a) These items represent funds BIPC had been holding in escrow from the beginning of the case.

Schedule 14a - 2 (Sub 3 of 6)
Property Income Investors, LLC et al.
Civil Court Docket No. 21-61176-CIV-SINGHAL
Reporting Period 10/1/2022 to 12/31/2022

Activity in 4020 LLC Checking Account ac 9037

Balance 10/1/2022 \$ 844

NO ACTIVITY FOR THE QUARTER ENDED 12/31/2022

Balance 12/31/22 *to Sch 14a* \$ 844

Schedule 14a - 2 (Sub 4 of 6)
Property Income Investors, LLC et al.
Civil Court Docket No. 21-61176-CIV-SINGHAL
Reporting Period 10/1/2022 to 12/31/2022

Activity in 3504 LLC Checking Account ac 9011

Balance 10/1/2022 \$ 123

NO ACTIVITY FOR THE QUARTER ENDED 12/31/2022

-

Balance 12/31/22 *to Sch 14a* \$ 123

Schedule 14a - 2 (Sub 5 of 6)
Property Income Investors, LLC et al.
Civil Court Docket No. 21-61176-CIV-SINGHAL
Reporting Period 10/1/2022 to 12/31/2022

Activity in 4450 LLC Checking Account ac 9078

Balance 10/1/2022 \$ -

NO ACTIVITY FOR THE QUARTER ENDED 12/31/2022

Balance 12/31/22 to Sch 14a \$ -

Schedule 14a - 2 (Sub 6 of 6)
Property Income Investors, LLC et al.
Civil Court Docket No. 21-61176-CIV-SINGHAL
Reporting Period 10/1/2022 to 12/31/2022

Activity in 304 LLC Checking Account ac 8989

Balance 10/01/2022	\$ 1,640,264.66
10/6/2022 Transfer to Checking account	(71,031.77)

Balance 12/31/22	<i>to Sch 14a</i>	<u>\$ 1,569,232.89</u>
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EXHIBIT “2”

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
CASE NO.: 21-61176-CIV-SINGHAL

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

PROPERTY INCOME INVESTORS, LLC,
EQUINOX HOLDINGS, INC.,
PROPERTY INCOME INVESTORS 26, LLC,
PROPERTY INCOME INVESTORS 304, LLC,
PROPERTY INCOME INVESTORS 201, LLC,
PROPERTY INCOME INVESTORS 3504, LLC,
PROPERTY INCOME INVESTORS 1361, LLC,
PROPERTY INCOME INVESTORS 4020, LLC,
PROPERTY INCOME INVESTORS 9007, LLC,
PROPERTY INCOME INVESTORS 417, LLC,
PROPERTY INCOME INVESTORS 4450, LLC,
PROPERTY INCOME INVESTORS 3050, LLC,
LARRY B. BRODMAN and ANTHONY
NICOLOSI (f/k/a ANTHONY PELUSO),

Defendants.

RECEIVER'S SEVENTH INTERIM QUARTERLY REPORT

(Period Covered: October 1, 2022 – December 31, 2022)

Miranda L. Soto, Esq., solely in her capacity as Receiver (the "Receiver") for Defendants, Property Income Investors, LLC; Equinox Holdings, Inc.; Property Income Investors 26, LLC; Property Income Investors 304, LLC; Property Income Investors 201, LLC; Property Income Investors 3504, LLC; Property Income Investors 1361, LLC; Property Income Investors 4020, LLC; Property Income Investors 9007, LLC; Property Income Investors 417, LLC; Property Income Investors 4450, LLC; and Property Income Investors 3050, LLC (collectively, the "Receivership Entities"), and pursuant to the Order Granting Plaintiff Securities and Exchange Commission's (the "Commission") Motion for Appointing Receiver, dated June 15, 2021 (Doc.

10), hereby files her Seventh Interim Report to inform the Court, investors, and interested parties of the significant activities undertaken from **October 1, 2022 to December 31, 2022 (the “Reporting Period”)**, as well as proposed courses of action moving forward.

TABLE OF CONTENTS

I. INTRODUCTION 1
 A. Overview of Significant Activities During This Reporting Period1

II. BACKGROUND 2
 A. Procedure and Chronology2
 B. The Receiver’s Role and Responsibilities3

III. THE RECEIVER’S PROGRESS AND PRELIMINARY FINDINGS DURING THE RELEVANT PERIOD 3
 A. Actions Taken By the Receiver During Reporting Period.....4
 i. Claims Process for Investor Claimants4
 a. Initiating Claims Process**Error! Bookmark not defined.**
 b. Work with Kaufman & Company, PA Professionals on Claims Process and Tax Issues Related to Receiver Entities6
 ii. Securing Receivership Estate Personal Property7
 a. Bank Accounts and Cash Proceeds.....7
 b. Other Personal Property7
 iii. Securing and Maintaining Receivership Real Property7
 a. Managing and Maintaining Real Property Assets7
 iv. Analyzed Various Documentation and Worked with Retained Professionals to Determine Extent of Commingled Investor Funds.....8
 v. Continued Outreach with Investors and Interested Parties9
 vi. The Equinox and Property Income Investors Offerings9
 a. The Equinox Offering9
 b. The Property Income Investors Offerings.....11
 vii. At Least Some Receivership Entities Did Not Generate Sufficient Cash Flow to Cover Distributions to Investors and Depended on “Loans” From Other Receivership Entities to Meet any Shortfalls.....13
 viii. Nearly \$2 Million Was Paid To Company Insiders Including Brodman.....16
 ix. The Use of Sales Agents to Solicit Investors and Payment of Transaction-Based Compensation18
 x. Investor Funds Appear to Have Been Routinely Commingled and Used for Unauthorized Purposes for Several Years21
 xi. Over \$50,000 of Investor Funds Were Lost When Brodman Forfeited a Real Estate Purchase Deposit25

IV. THE NEXT QUARTER 26

A. Investigation.....26

B. Administering Claims Process, Determining Submitted Claims via Proof
of Claim Forms with attached Documents, and Seeking Court Approval of
Claim Determinations and Interim Distribution Plan27

C. Third Party Claims27

I. INTRODUCTION

A. Overview of Significant Activities During Reporting Period

During the time period covered by this Interim Report (October 1, 2022 through December 30, 2022), the Receiver and her counsel have engaged in significant activities including but not limited to:

- Communicated with numerous investors regarding their returned Proof of Claim Forms and documentation;
- Processed Proof of Claim Forms and related documentation for investor claimants who did not dispute the calculations provided by Receiver's CPA professionals;
- Analyzed Proof of Claim Forms and related documentation for investor claimants who disputed calculations and review and analyzed the supplemental information provided in support of claimed investment amounts;
- Worked with Receiver's CPA professionals to determine the extent of claims determinations to present a claims analysis to the Court, including an evaluation of the transfers of money between Equinox and PII entities, the specific calculations for individual investor claims, individual issues with tax returns for the PII Entities, K1s for the PII Entities, including addressing individual investor concerns regarding tax issues and K1s;
- Updated Receiver's website and communicated regularly with investors regarding status of review of claimant documents and Receivership;
- Continued review of potential third-party claims to recover investor assets wrongfully misappropriated and/or fraudulently transferred;
- Communicated with SEC counsel regarding settlements with Mr. Brodman and Mr. Nicolosi and inquired on behalf of Receivership regarding collection of the settlement proceeds owed to the Receivership Estate;
- Responded to phone calls and written communications from investors, other interested parties and/or their representatives; and,
- Prepared and filed the Receiver's Sixth Interim Report on October 31, 2022 (Doc. 105), which provided a comprehensive summary, analysis, and supporting documentation of the Receiver's observations, continuing investigation, and contemplated next steps.

The above referenced activities are discussed in more detail in the pertinent sections of this Report.

II. BACKGROUND

A. Procedure and Chronology

On June 7, 2021, the Commission filed a complaint (Doc. 1) (the “Complaint”) in the United States District Court for the Southern District of Florida (the “Court”) against Defendants Larry Brodman, Anthony Nicolosi f/k/a Anthony Peluso, and the Receivership Entities. The Commission alleged that Defendant Brodman and the Receivership Entities raised at least \$9 million from over 150 investors who were told that their funds would be used almost entirely to purchase “turnkey, multifamily properties” in South Florida which would then be renovated, rented to tenants, and eventually sold. *Id.* ¶ 3. Investors were also told that they would be entitled to receive a portion of the rental income and any sale proceeds generated from the Properties they were investing in.

Although a portion of investor funds were used to purchase various properties in the South Florida area, the Commission alleged that Defendant Brodman and the PII entities misappropriated and diverted over \$2 million in investor funds, extensively commingled investor funds, and in some instances used investor funds to make purported “profit” payments and distributions to other investors. (Doc. 10 ¶¶ 4, 70-71.) The Commission also alleged that, despite statements in the offering materials that commissions would only be paid to licensed brokers, PII and Brodman used at least \$1.2 million in investor funds to pay undisclosed sales commissions to unlicensed sales agents including Defendant Nicolosi. *Id.* ¶¶ 68-69.

On June 15, 2021, the Court granted the Commission’s Motion for Appointment of Receiver and entered an Order appointing Miranda L. Soto as the Receiver over the Receivership Entities (“Order Appointing Receiver”) (Doc. 10). The Commission and the individual Defendants are scheduled to mediate this case on April 5, 2022. (Doc. 47.)

B. The Receiver's Role and Responsibilities

As an independent agent of the Court, the Receiver's powers and responsibilities are set forth in the Order Appointing Receiver which provides, in relevant part, that the Receiver:

- “[S]hall have all powers, authorities, rights and privileges heretofore possessed by the officers, directors, managers and general and limited partners of the Receivership Entities under applicable state and federal law...” and “shall assume and control the operation of the Receivership Entities and shall pursue and preserve all of their claims.” Doc. 10 ¶¶ 4-5;
- Shall “take custody, control, and possession of all Receivership Property and records relevant thereto from the Receivership Entities...” and “manage, control, operate and maintain the Receivership Estates and hold in Receiver’s possession, custody and control all Receivership Property, pending further Order of the Court.” *Id.* ¶ 7(b)-(c);
- Is “authorized, empowered, and directed to investigate the manner in which the financial and business affairs of the Receivership Entities were conducted and (after obtaining leave of this Court) to institute such actions and legal proceedings...as the Receiver deems necessary and appropriate...” *Id.* ¶ 37; and
- Is directed to “develop a plan for the fair, reasonable, and efficient recovery and liquidation of all remaining, recovered, and recoverable Receivership Property...and to “file and serve a full report and accounting of each Receivership Estate” for each calendar quarter. *Id.* ¶¶ 46, 48.

III. THE RECEIVER'S PROGRESS AND PRELIMINARY FINDINGS DURING THE RELEVANT PERIOD

The Receiver's issuance of interim quarterly reports is intended to, among other things, present a detailed summary of actions taken by the Receiver during the reporting period as well as to share the status of her various preliminary findings and ongoing investigation. Unless specifically indicated herein, any previously-expressed preliminary findings are incorporated herein and remain consistent with the Receiver's ongoing investigation. The Receiver reserves the right to revise, amend, and/or supplement these conclusions as the investigation progresses. The Receiver presents the following non-exclusive conclusions that she continues to supplement based on her ongoing investigation and document review and with the assistance of her Retained Professionals.

A. Actions Taken By the Receiver During Reporting Period

i. Reviewed Investor Claimants' Returned Proof of Claim Forms and Supporting Documentation to Make Investor Claims Determination on Investor by Investor Basis.

As detailed in previous Reports, the Receiver's goal since her appointment was to be in a position to file a motion with the Court by December 31, 2021, seeking approval of the framework and procedures for a claims process that can return assets to investors and other interested parties with approved claims. Based on her team's efforts and progress, the Receiver met this goal and filed her *Motion to Establish and Approve (i) Proof of Claim Form and Claim Bar Date; (ii) Procedure to Administer, Review, and Determine Claims; and (iii) Notice Procedures and Incorporated Memorandum of Law* (the "Claims Motion") on December 31, 2021. The Claims Motion is available on the Receiver's website at www.propertyreceivership.com.

In the Claims Motion, the Receiver proposed (i) the establishment of a deadline for the submission of claims, (ii) approved forms for claim submissions, (iii) claims notification and publication procedures, and (iv) the framework by which the Receiver will calculate and administer the claims process. (Doc. 48.) Although the Court issued an Order on January 10, 2022, granting the Claims Motion, the Court subsequently vacated that Order after two responses to the Claims Motion were filed on January 14, 2022. The Receiver subsequently filed a Reply in support of the Claims Motion on January 21, 2022. (Doc. 61.)

On April 14, 2022, the Court approved and entered an Order granting the Claims Motion. (Doc. 77). Once the Receiver received approval from the Court, the Receiver took all action to effectuate the claims process including the mailing of 158 investor claims packets, which explained the claims process, provided a preliminary calculation of each investor's claim (for investors with documentation in the Receivership's possession), and requested that individual

investors complete a questionnaire (the “Claims Form”) and provided documentation to establish their respective claims.

The preparation of the claim estimates required having Receiver’s professionals sort through extensive and often confusing or incomplete company documents to reconcile invested sums with any dividends or other payouts recorded as having been sent to investors. The Receiver’s professionals also had to engage in open-source research to verify correct mailing addresses for about a half dozen investors whose addresses were not accepted by the UPS website for delivery labels, which required sending their packages for delivery by United States Post. As required in the Order, the Receiver also caused notices of the claims process to be published in two newspapers – the Sun Sentinel of Fort Lauderdale, Florida and the Wall Street Journal. The Receiver published announcements regarding the publication on the Receiver’s website.

Receiver distributed the approved Proof of Claim form to all potential claimants along with detailed instructions on preparing and submitting the completed form to the Receiver by the established submission deadline.¹ The deadline to submit a claim occurred on the Claims Bar Date: September 28, 2022. During this process, there were a number of questions that investors raised, which required the Receiver and/or her attorneys to discuss with specific investors and resolve. These included, for example, [summarize].

During the Claims Process, the Receiver sent 158 individual Proof of Claim packets to claimant investors. Of those 158 packets, 117 packets were returned timely to the Receiver and her staff. While 82 investors agreed with the Proof of Claim Form determination that was put forward by the Kaufman Professionals, 35 investors disputed the Proof of Claim Amount that was contained in their Proof of Claim forms. Specifically, 9 investors from the Equinox pool of

¹ A sample claims packet is located on the Receiver’s website at www.propertyiireceivership.com.

investors and 24 investors from the PII pool of investors disputed the claims amount. The Receiver and her professionals then commenced review and analysis all of the claims and documentation submitted to reconcile these claims with company records obtained by the Receiver. . This review has included follow up communications with investors regarding their claims submissions or responding to investor questions about the Receiver's plans for distributions. After her review and analysis is completed, she will then file one or more motions seeking the Court's approval of (i) her determinations of timely submitted claims, and (ii) an interim (and additional as necessary) distribution to claimants with approved claims and the source(s) of funds used to make any distribution(s).

ii. Worked with Kaufman Professionals on Reviewing Disputed Claims, Completing Claims Determinations for Individual Investors, Preparing K1s, and Addressing Individual Tax Concerns and Entities.

During the Reporting Period, the majority of the Receiver's and her professionals' work concerned reconciling the disputed claims and analyzing the copious documents that were sent by individual investors to support their individual claim amounts. The Receiver, after reviewing the supporting documents, provided these documents to the Kaufman Professionals to reconcile the amounts owed. After reviewing the investor documentation, Kaufman provided their services to reconcile differences between the Receiver's preliminary claims assessments and the claims submitted, for the Receiver's review. In addition to assisting with the Claims Determination, the Kaufman Professional also prepared K1s (investor tax returns) for the entities. The Receiver also worked with individual investors to address specific tax concerns in documents that were incorrectly prepared or contained incorrect information prior the Receiver taking control of the Receivership Entities.

The services provided by Kaufman have been instrumental to helping the Receiver understand and account for the flow of funds between the various entities and have assisted the

Receiver in developing her recommendations to the Court. Moving forward, it will be necessary for the Kaufman professionals to further assist the Receiver in calculating the proposed distribution schedule in support of the Receiver's anticipated Motion for Distribution.

iii. Securing Receivership Estate Personal Property

a. Bank Accounts and Cash Proceeds

As reported in detail in previous Reports, the Receiver opened a fiduciary bank accounts at ServisFirst Bank (the "ServisFirst Accounts") following her appointment and coordinated the freeze and closure of the Receivership Entities' existing bank accounts with JP Morgan Chase Bank, N.A. ("Chase Bank.") The ServisFirst Accounts allow the pool of Receivership funds to continue to gain interest while the Receiver determines the appropriate method to distribute funds. As of the date of the filing of this Report, the total balance of the ServisFirst Accounts was **\$4,942,581.46.**

b. Other Personal Property

The Receiver continues to maintain and store the various company documents, collectible items, and computer hardware that were previously removed from the storage unit. The Receiver has been working to liquidate the remaining Personal Property in the most cost-effective manner to bring in funds to the Receivership Estate. The Receiver intends to list collectible property on a public form that will bring in monetary funds to the Receivership pool of funds.

iv. Securing and Maintaining Receivership Real Property

a. Managing and Maintaining Real Property Assets

At the time of the Receiver's appointment, the Receivership Entities owned seven multifamily residential properties in the South Florida area. Further details on each of these properties, including purchase and property information is discussed in previous Interim Status

Reports. All of the Receivership properties have been sold and the money has been brought into the pool of funds in the Receivership.

v. Continued to Analyze the Business Documentation to Determine the Extent of Commingled Investor Funds and to Evaluate the Treatment of Equinox and PII in this Receivership.

The Receiver and her professionals continue to review company records and third-party productions in order to (i) understand the Receivership Entities' business operations and relationships prior to her appointment; (ii) identify any potential assets that belong to the Receivership Entities; and (iii) identify and analyze investor transactions. Given the Commission's allegations of "extensive commingling of investor funds," the Court approved the Receiver's retention of the Kaufman Professionals to provide forensic accounting and tax services to the Receiver. The Receiver has asked Kaufman to prioritize the analysis of the bank accounts and assembly of an investor roster showing the amounts raised from and distributed to each investor. Kaufman has provided the Receiver with its preliminary findings on the "extensive commingling" alleged to have taken place within the Receivership Entities' bank accounts.

A main consideration currently before the Receiver is the transfer of funds between Equinox Holding Inc. and the Property Income Investor Entities. The inclusion of Equinox investments predating the formation of PII Entities has been considered by the Kaufman Professionals and is being reviewed by the Receiver. Ultimately, the Receiver will determine the appropriate and equitable distribution to the investors as per her Claims Analysis. In addition to reviewing the flow of funds, the Receiver continues to investigate any potential claims the Receivership Estate may have against any third parties based on funds transferred to those third

parties or services provided by those third parties. The Receiver is working with her professionals to prepare notice to third parties regarding potential claims of the Receiver against them.²

vi. Continued Outreach with Investors and Interested Parties

The Receiver and her counsel have been in contact with a substantial number of investors during the post-claims process period. The Court approved the Receiver's retention of a website vendor to establish an informational website that would provide relevant court documents, news, and other updates for investors and interested parties, and that website went live in July 2021 and is located at www.propertyireceivership.com. The website also allows interested parties to submit their contact information to the Receiver, and the Receiver's team has been compiling that information and speaking with interested parties. The Receiver's staff spent a great deal of time speaking with investors regarding the completion of the Proof of Claims form and the information details in the Claims Process instructions. Now that the claims bar date has passed, Receiver's counsel continues to speak regularly with investors regarding the status of the litigation and the review of the claims process proof of claims forms.

vii. The Equinox and Property Income Investors Offerings

a. The Equinox Offering

On or around November 14, 2012, Equinox was formed by Jeffrey Rosenfeld and David Cohen. On or around December 11, 2012, Equinox Holdings filed a Form D Notice of Exempt Offering of Securities with the Commission indicating it intended to raise up to \$20 million in an offering that was purportedly exempt from registration pursuant to Rule 506. The Receiver has seen several connections between Equinox and a company named Medical Connections Holdings,

² On January 31, 2023, the Receiver's counsel noticed the depositions of Messrs. Brodman and Nicolosi in order to address outstanding questions about the flow of funds into and out of the various Receivership Entities in order to assist her, among other things, in making a determination regarding the treatment of the Equinox investors.

Inc. (“MCH”), including that (i) Jeffrey Rosenfeld previously served as the CEO of MCH, (ii) Defendant Nicolosi at one point served as the President of MCH, and (iii) several previous investors in MCH subsequently invested in Equinox.

As set forth in a Private Placement Memorandum dated January 17, 2013 (the “Equinox PPM”), Equinox told prospective investors it sought to capitalize from identifying and investing in “distressed and opportunistic real estate investments.” The Equinox PPM indicated it was seeking to raise up to \$7 million from investors, of which up to 10% of the proceeds would be used to compensate licensed broker/dealers for their efforts, and the vast majority of the proceeds would be used for “real estate acquisition development.” The PPM described two “targeted acquisitions” consisting of large parcels of undeveloped land that Equinox sought to purchase and subsequently develop with proceeds from the offering.

During that time period, Mr. Brodman was listed as Equinox’s Chief Operating Officer and Director while Theodore Grothe was listed as the Vice President, Secretary, and Director.³ Mr. Rosenfeld resigned from Equinox later in 2013,⁴ and Mr. Brodman is listed as the company’s CEO in its 2013 amended annual report.⁵ As of the February 2016 annual report, Mr. Brodman was the only listed officer and director for Equinox.⁶

³<http://search.sunbiz.org/Inquiry/CorporationSearch/ConvertTiffToPDF?storagePath=COR%5C2013%5C0906%5C00195349.Tif&documentNumber=P12000094600>

⁴<http://search.sunbiz.org/Inquiry/CorporationSearch/ConvertTiffToPDF?storagePath=COR%5C2013%5C1115%5C53565093.Tif&documentNumber=P12000094600>

⁵<http://search.sunbiz.org/Inquiry/CorporationSearch/GetDocument?aggregateId=domp-p12000094600-0a7d4e41-25ed-485b-a8ff-a26d32f50db3&transactionId=p12000094600-464d4b95-cc3d-49f7-82a3-b7b539b9ab37&formatType=PDF>

⁶<http://search.sunbiz.org/Inquiry/CorporationSearch/GetDocument?aggregateId=domp-p12000094600-0a7d4e41-25ed-485b-a8ff-a26d32f50db3&transactionId=p12000094600-494ca438-0bf0-4b90-96a2-5f9d7fba3024&formatType=PDF>

The Receiver has obtained bank records for three bank accounts maintained by Equinox dating back to June 2013. Based on the Receiver's preliminary investigation, it appears that Equinox raised approximately \$3 million from at least 35 investors as early as November 18, 2012, and that Equinox continued to raise funds from investors as recently as August 2020. A significant portion of these funds were raised prior to late 2016 when the Property Income Investors offerings began. Although Equinox does appear to have used some investor funds to purchase real estate during 2012 – 2015, it appears that a significant portion of the \$3 million was not used for the purchase of real estate. Indeed, the Receiver has only been able to identify three real estate transactions in Broward and Palm Beach Counties involving Equinox during the time period from December 2012 to February 2015, none of which involved Equinox paying a purchase price higher than \$108,000. Moreover, although Equinox has not owned any real estate since February 2015, it appears that nearly \$2 million was raised from Equinox investors from that time up to the Receiver's appointment. This investigation remains ongoing.

b. The Property Income Investors Offerings

In March 2016, Brodman formed PII. Brodman subsequently formed at least 10 entities between December 2016 and June 2019 that each contained "Property Income Investors" in the name followed by a specific number (which in most cases appears to have been a reference to the street number of a specific property).⁷ These entities were formed for the purpose of purchasing specific real estate parcels, and in most cases each entity opened a separate bank account at JP Morgan Chase.

⁷ For example, PII 26 was formed in December 2016 and listed Mr. Brodman as the manager. In or around December 28, 2016, PII 26 paid \$495,000 to purchase a seven-unit multifamily residential property located at 26 Wisconsin St., Lake Worth, FL 33461.

No later than 2016, the Receiver understands that prospective investors were targeted to invest in PII (or related entities) through “cold calls” made by Brodman, Nicolosi, and apparently other sales agents working at Nicolosi’s direction. From speaking with investors, the Receiver has been told that the “cold calls” touted specific property(ies) that had been or would be purchased and promised annual returns ranging from 5% to 10% (with some investors being promised even higher returns). Specifically, investors were told that they would receive returns derived from the Receivership Entities’ renovation and ownership of multi-family properties consisting of (i) 70% of the net rental profits (with Brodman receiving the remaining 30%), and (ii) 50% of the profits when the property was sold (with Brodman receiving the remaining 50%). Investors were assured that there was minimal risk and little to no downside associated with the investments.

The Receiver has identified private placement memoranda that were prepared by several of the Receivership Entities, including a September 2016 private placement memorandum prepared for PII (the “PII PPM”).⁸ The PII PPM indicated to prospective investors, among other things, that:

- PII would “use the net proceeds from this offering to acquire property and for general working capital purposes”;
- Cash commissions of up to 10% of the raised proceeds would be paid to any “licensed broker/dealers” assisting in the offering;
- Officers (i.e., Defendant Brodman) “will not receive a salary or management fee,” but rather would be entitled to 30% of the Company’s net income (or loss) from operations as well as 50% of the Company’s gains (or losses) from the sale of any property.
- Investors holding Class B membership interests would be entitled to their pro rata share of 30% of the Company’s net income (or loss) from operations as well as 50% of the Company’s gains (or losses) from the sale of any property.

⁸ As discussed below in Section V.B., it does not appear that the PII PPM was provided to a significant number of investors.

- “Investors should not purchase our Class B membership interests if they need or expect to receive quarterly distributions.”
- “We will use debt financing to acquire most of our properties. Lenders will place mortgages on these properties.”
- “We expect to incur operating losses in future periods because we expect to incur expenses which will exceed revenues for an unknown period of time.”

The “Use of Proceeds” section further specified that, assuming \$4 million was raised during the offering, \$3.6 million would be used to make real estate acquisitions and the remaining \$400,000 would be used for working capital. The section further indicated that PII “reserve[s] the right to modify the use of proceeds as we deem fit at our sole discretion.” The Commission has alleged that although the Receivership Entities raised at least \$9 million from investors, at least \$2.44 million was misappropriated by PII and Brodman. Doc. 1 ¶¶ 60-61. These allegations are consistent with the Receiver’s preliminary review of the documents and financial statements in her possession.

viii. At Least Some Receivership Entities Did Not Generate Sufficient Cash Flow to Cover Distributions to Investors and Depended on “Loans” From Other Receivership Entities to Meet any Shortfalls

Prospective investors in the PII entities were told that they would receive quarterly distributions generated by the rental income received from the property owned by the entity they invested with. Although it appears that many investors simply received identical quarterly distributions that equated to an annual return ranging from 6% to 7%, the investment documents signed by each investor specified that any distributions paid to investors would be made from a percentage of the “Net Cash From Operations” with the remainder going to Mr. Brodman. However, it appears that at least several of the Receivership Entities did not generate sufficient cash flow from operations to pay the quarterly distributions made to investors, and those entities

instead depended on transfers (or “loans” which do not appear to have ever been repaid) from other Receivership Entities to pay the distributions.

For example, prospective investors interested in investing with PII 1361 were required to execute an Operating Agreement as a Class B Member.⁹ In relevant part, Section 4.1(c) of that Operating Agreement provided that Class B Members would be entitled to receive periodic distributions in the amount of “70% of the Net Cash From Operations.” The Operating Agreement defined Net Cash From Operations as:

“Net Cash From Operations” means the gross cash proceeds from Company operations (including sales and dispositions of Company property in the ordinary course of business) less the portion thereof used to pay or establish reserves for all Company expenses, debt payments, capital improvements, replacements, and contingencies, all as determined by the Manager. Net Cash From Operations shall not be reduced by depreciation, amortization, cost recovery deductions or similar

allowances, but shall be increased by any reductions of reserves as herein provided previously established pursuant to the first sentence hereof and from Net Cash From Sales or Refinancings.

Thus, the amount that should have been paid to a Class B Member would have been calculated by subtracting Company expenses, capital improvements, and other reserves from the income received during the company’s operations which typically solely consisted of tenant rental income. During 2019, according to a Profit and Loss Statement generated by the QuickBooks software maintained by the Receivership Entities, PII 1361 generated \$43,395.00 in rental income. However, PII 1361 also incurred \$38,685.90 in expenses from operations, including \$10,444.50 in property taxes, \$3,534.31 in insurance expense, and \$16,261.34 in repairs and maintenance. This resulted in PII 1361 generating net income of \$4,709.10 during 2019. Pursuant to the Operating Agreement, investors (Class B Members) would have been entitled to 70% of this Net Cash From Operations which should have resulted in total annual distributions to Class B Members of \$3,296.37.

⁹ Mr. Brodman is believed to be the sole Class A Member of all PII entities.

However, a review of PII 1361's bank statements show that a total of \$42,484.00 in distribution checks were made during 2019 to investors. Standing alone, this represented a nearly 100% distribution of all gross rental income received from tenants and was approximately 1,000% higher than the net cash from operations purportedly generated by PII 1361 during 2019. Additionally, the bank statements also suggest that PII 1361 may have significantly understated its repair and maintenance expenses based on \$49,120.00 in apparently-unreported payments that appear to be for the renovation of one of the units – approximately \$30,000 higher than the \$16,261.34 in repairs and maintenance reported in PII 1361's 2019 Profit and Loss Statement. In order to meet its ongoing expenses, including quarterly distributions paid to investors and other obligations including renovation expenses, PII 1361's bank account statements reflect **over \$100,000.00** in incoming transfers from nine different PII entities. In addition, the statements also reflect that \$24,230.00 was transferred from PII 1361 to four different PII entities during that time period.

A similar pattern was seen in an analysis of financial and bank statements for PII 3504, which owned a property located at 3775 NW 116th Terrace, Coral Springs, FL 33065. Although PII 3504 received \$58,530 in rental income during 2019, the Profit and Loss Statement generated by the QuickBooks software maintained by the Receivership Entities reflected \$34,358.98 in expenses which resulted in net income of \$24,370.13. However, during 2019, PII 3504 paid out nearly \$28,000 in quarterly distributions to investors – more than the purported net income. In addition, the P&L did not reflect (nor were investors informed) that PII 3504 had taken out a mortgage on the 3775 Property and that it made a total of \$22,040.87 in monthly mortgage

payments during the majority of the year – in addition to the \$34,358.98 in expenses reflected on the Profit and Loss Statement.¹⁰

The \$58,530 in rental income received by PII 3504 during 2019 was not sufficient to pay the combined \$84,382 in expenses, investor distributions, and mortgage payments. In order to cover this shortfall, PII 3504's bank account statements reflect **over \$50,000.00** in transfers from at least nine different PII entities. In addition, the statements also reflect that \$127,770 – which included the mortgage proceeds deposited in PII 3504's bank account in October 2019 – was transferred from PII 3504 to at least six different PII entities during that time period.

In sum, PII 1361 generated \$43,395.00 in rental income during 2019, but during the same period it made total payments of over \$100,000 for property expenses and investors distributions. Similarly, the \$58,530 in rental income received by PII 3504 was not sufficient to cover the total payments of the combined \$84,382 in expenses, investor distributions, and mortgage payments. Because the rental income generated by PII 1361 and PII 3504 during 2019 was not sufficient to cover the corresponding entity's expenses during that same time period, each entity thus necessarily depended on the deposit of funds from other entities (consisting of investments by other investors) to meet these shortfalls. The Receiver is continuing her investigation to determine if similar shortfalls were present in other PII entities.

ix. Nearly \$2 Million Was Paid To Company Insiders Including Brodman

A significant percentage of funds raised from investors were paid to company insiders – including Brodman. According to payroll records from ADP, Brodman received at least \$1,206,302 in Form 1099 compensation from 2014 to 2020 (excluding compensation paid during

¹⁰ The existing mortgage was satisfied in October 2019 when PII 3504 took out a new mortgage which resulted in the deposit of \$106,443.62 in PII 3504's bank account. Following deposit of the \$106,443.62 mortgage proceeds, PII 3504 made a total of \$107,200.00 in transfers to other PII entities – including the vast majority to the Property Income Investors Holdings account controlled by Brodman.

2019, which was not included in the provided records). The Receiver has also seen evidence that Brodman made significant withdrawals from various bank accounts belonging to the Receivership Entities in the past year. The Companies' primary administrative employee, Cindy Lieberman, also received nearly \$500,000 in salary during the same period – including a salary of \$93,900 in 2019 and \$107,000 in 2020.

From 2019 to 2021, it appears that nearly \$500,000 was transferred from various company bank accounts to a bank account owned by LBB Maintenance & Repair, LLC (“LBB”), a company owned by Brodman. Despite the name of the company suggesting it was in the business of maintenance and repair, it appears that LBB’s primary purpose was to transfer funds from the PII Entities to Mr. Brodman or for his benefit. A significant portion of funds transferred to LBB were then sent to Brodman’s personal account where they were then used for Brodman’s personal benefit including the payment of a mortgage, monthly lease payments for a Maserati, and other expenses.

These regular and recurring distributions to Brodman are contrary to representations in the PII PPM that “Mr. Brodman will not receive any compensation or management fee while overseeing the Company’s operations,” and several investors have also indicated that they were told this by Mr. Brodman or other sales agents. A subsequent section of the PII PPM confirmed that “[o]ur officers will not receive a salary or management fees.” Rather, Mr. Brodman “would be allocated Class A Membership interests which would entitle him to 30% of the Company’s net income (or loss) from operations and 50% of the Company’s gains (losses) from the sale of any property.”

The Commission has alleged that approximately \$1.04 million was generated in gross rent payments during the Relevant Period (spanning over seven years), which would have entitled

Brodman to at most approximately \$312,000 as his share of rental payments during that span. This of course does not account for any other expenses incurred during the Companies' operations, which would serve to correspondingly reduce the amount owed to Brodman (and investors). As for the proceeds of property sales, the Commission has alleged (and the Receiver has not seen any contrary information) that no property sale proceeds were distributed to investors during the Relevant Period. Instead, it appears that many investors were encouraged to "roll over" their profits from a property sale into another PII entity. Accordingly, based on the representations to investors, Brodman would have been entitled **at most** to \$312,000 (and likely less, after expenses) during the seven-year Relevant Period – an amount that is dwarfed by the \$500,000 in transfers that was transferred to LBB alone from 2019 to 2021.

x. The Use of Sales Agents to Solicit Investors and Payment of Transaction-Based Compensation

As referenced above, the Receiver has seen evidence that the Receivership Entities relied on sales agents to solicit prospective investors in the various Receivership Entities. These sales agents include Defendant Brodman, an individual who appears to be Mr. Brodman's relative, Defendant Nicolosi, and several other individuals that were apparently affiliated with Nicolosi's company, CMP. In a previous filing with the Commission, CMP was described as "a brokerage firm" and listed Nicolosi as its CEO.¹¹ Of note, at least one of the sales agents affiliated with CMP appear to have used fictitious names when communicating with prospective investors. It appears that these sales agents primarily contacted prospective investors through the use of "cold calls" based on lead lists purchased from third parties.

¹¹ See https://www.sec.gov/Archives/edgar/data/1140303/000135448811001230/mctch_10ka.htm

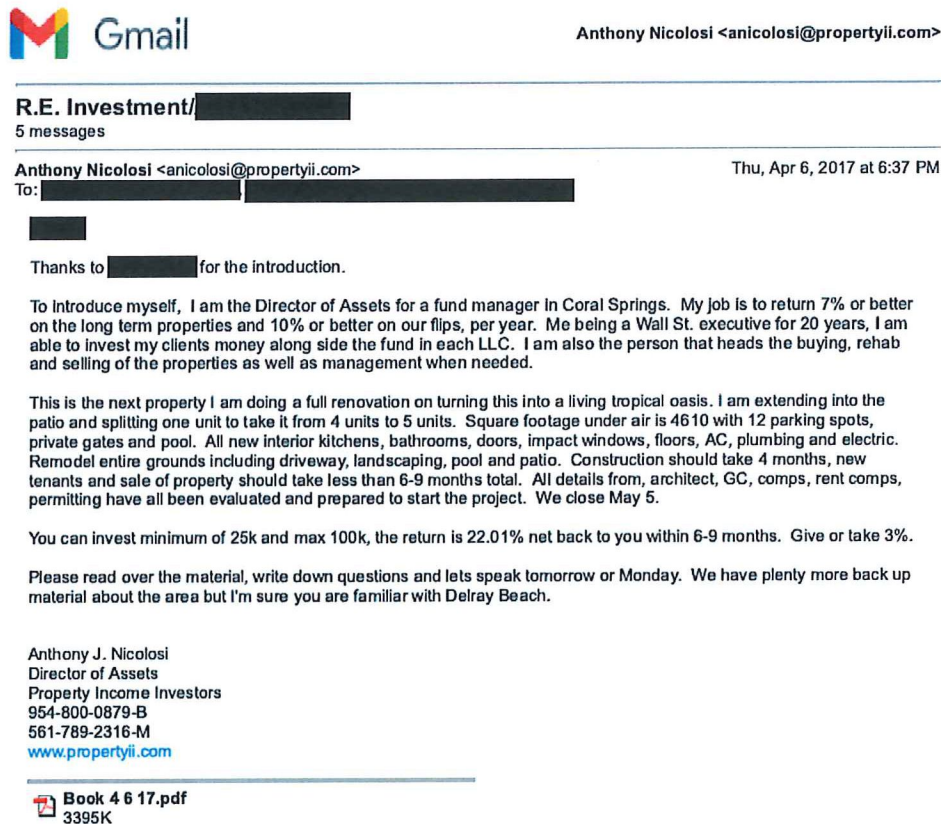
The Receiver has not seen any evidence that any sales agents held the requisite licenses to sell securities. The Receiver has learned that Defendant Nicolosi (when he was known as Anthony Peluso) was barred from the securities industry in June 2001 for engaging in high-pressure sales tactics and making misrepresentations to customers. In June 2003, Mr. Peluso changed his name from Anthony Joseph Peluso to Anthony Joseph Nicolosi. In 2010, Mr. Nicolosi was the subject of a cease and desist order from the Alabama Securities Commission based on his role in soliciting investors in a different company and his misrepresentations and omissions concerning his previous industry bar and name change.¹²

After making these “cold calls,” those agents – either themselves or through an administrative employee at PII – sent correspondence (typically by email) to those prospective investors containing information on the proposed investment. This correspondence usually consisted of a short description and potential returns of the specific property investment, an attachment containing pictures and projections for the property, and a “Subscription Booklet” containing instructions to complete an investment. Of note, while the “Subscription Booklet” instructed interested investors to complete the attached Subscription Agreement and Operating Agreement, the vast majority of the Subscription Booklets distributed to prospective investors appear to only include the Subscription Agreement (and did not include the Operating Agreement). Further, although the Subscription Agreement provides that the “offer and sale of securities is being made in connection with the private placement memorandum,” it appears the “Subscription Booklet” often did not contain a copy of the PII PPM. The Receiver has only seen that a very limited amount of prospective investors received the PII PPM (and typically only when requested by a diligent prospective investor).

¹² See <https://asc.alabama.gov/Orders/2010/CD-2010-0062.PDF>

Some emails were sent directly by the sales agents, including the below email sent by

Defendant Nicolosi:



In some instances, the agents advertised the ability for prospective investors to use their retirement funds for the investment.

The Receiver has seen information supporting the Commission's allegations that a significant amount of investor funds were used to pay commissions to these sales agents. For example, Nicolosi's company, CMP, received at least \$888,170 in payments from the Receivership Entities during the Relevant Period. The Receiver has also seen additional payments to other sales agents made through other bank accounts. The Receiver believes that most, if not all, of these payments were provided as compensation for the solicitation of investors to the Receivership Entities. Although Defendant Nicolosi has taken the position that at least a portion of his compensation was purportedly attributable to other non-solicitation activities, the Receiver

understands that other individuals affiliated with CMP (including those who used fictitious names with prospective investors) had no duties other than soliciting investors.

xi. Investor Funds Appear to Have Been Routinely Commingled and Used for Unauthorized Purposes for Several Years

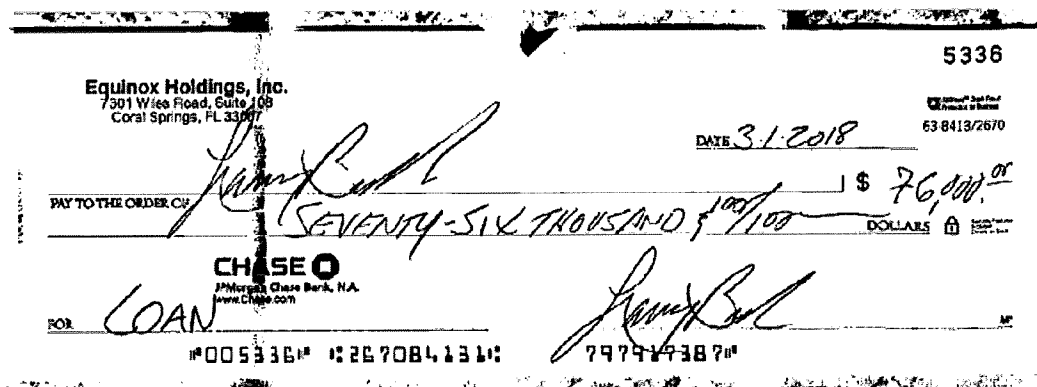
A preliminary analysis conducted by the Receiver's forensic accountants indicates that approximately \$9 million was raised from at least 150 investors during the relevant time period. The Receiver has seen significant evidence that investor funds were routinely commingled between the Receivership Entities' bank accounts for no apparent legitimate or business purpose; rather, it appears that corporate formalities were frequently disregarded and that a Receivership Entity facing a shortfall in currently-available funds would regularly use funds from other Receivership Entities as needed. The Receiver has asked her forensic accountants whether it would be feasible to essentially "unwind" these various transactions and to attempt to treat each entity separately. The Receiver has been informed that it would be significantly time-intensive (and costly) to attempt to reconcile material differences between the reported intercompany obligations owed among the companies, and that even after completing such a task it would still be uncertain whether the entities would be able to be treated as independent companies. At this time, the Receiver does not believe that it is a good use of time and resources to continue to task her accounting professional with analyzing comingled funds.

The Receiver has also seen a troubling pattern of investor funds being routinely misused or misappropriated as early as 2018 (and perhaps earlier). For example, investor J.R. made an investment of \$501,000 with Equinox Holdings in January 2018, of which \$487,000 was deposited into Equinox's bank account ending in x7387 (the "Equinox Account") on January 23, 2018 and the remaining \$13,000 was deposited into the same account on January 30, 2018. Prior to the initial deposit on January 23, 2018, the balance of the Equinox Account was less than \$1,000.

From January 23, 2018 to March 7, 2018, less than \$500 in other deposits were made to the account. During that period, the following activity took place in the Equinox Account:

- \$101,200 in checks were written to Capital Market Partners, Defendant Nicolosi's company;
- \$112,000 in checks were written to Defendant Brodman;
- \$82,000 was transferred to a different Equinox Holdings bank account which was used to make payments of \$77,162.50 to four investors;
- Various purchases that did not appear to be business expenses, including transactions at Best Buy, NYY Steakhouse, Dolphin Stadium, and Boston's on the Beach; and
- At least \$10,500 in withdrawals.

Of the \$112,000 in checks that were written to Brodman, one check for \$76,000 dated March 1, 2018 was deposited into his personal account with the notation "Loan" in the memo:



The proceeds from this "loan" were apparently used (i) to make payments of approximately \$70,000 to the U.S. Treasury/IRS, (ii) to make a \$6,719.15 purchase at "Teacups Puppies and Boutiques," and (iii) a \$3,000 payment on Brodman's home mortgage. The Receiver has not seen any indication this "loan" was repaid or any documentation one would expect in an arm's length transaction.

In another example, PII 26 purchased a property located at 417 N. E St., Lake Worth, FL in May 2018. After that sale had closed, several additional investor deposits totaling \$175,000

were deposited into PII 26's bank account (the "PII 26 Account") in June 2018.¹³ The PII 26 Account had a beginning balance in June 2018 of \$1,958.50. During the following month, over \$150,000 was transferred from the PII 26 Account to PII's bank account (the "PII Account"). Prior to these deposits, the PII Account had a beginning balance in June 2018 of less than \$1,000. Following receipt of these transfers from the PII 26 Account, the PII Account made the following transfers:

- \$102,436.82 to the Equinox Account;
- \$12,272 to an account belonging to PII 9007;
- \$14,000 to an account belonging to PII 201;
- \$18,500 to an account belonging to PII 304; and
- \$6,000 to an account belonging to PII 3504.

The \$102,436.82 transferred to the Equinox Account (which had a beginning monthly balance of \$2,637.18 prior to the transfers) was used to make the following transactions:

- A purchase of \$795.00 at the "Palm Beach Equine Clinic" and a purchase of \$1,036.23 at Dolphins Stadium.
- Nearly \$50,000 in checks to Capital Market Partners, Defendant Nicolosi's company;
- Over \$30,000 in checks to Mr. Brodman; and
- \$1,036.23 to "Jetblue Vacations."

In short, it appears that very little – if any – of the investor deposits in the PII 26 account during the June 2018 timeframe were used for any purpose relating to the 417 Property.

In early August 2020, at the same time that the Commission issued a subpoena to Defendant Brodman and the Receivership Entities, Brodman apparently reached out to investor J.R. – the

¹³ Indeed, at least one wire transfer in the amount of \$50,000 specifically includes the address for the 417 Property in the wire details.

same investor that had made the \$501,000 investment referenced above – about an “opportunity that had come up” that required additional funds to close on a property. Based on those representations, J.R. agreed to make an additional \$400,000 investment (consisting of retirement funds) that were deposited into the Equinox Account on August 5, 2020.¹⁴ Prior to that \$400,000 deposit, the Equinox Account had a balance of \$2,756.65. The same day that the \$400,000 was deposited, the Equinox Account made the following transfers:

- \$99,000 to an account belonging to PII;
- \$22,000 to an account belonging to PII 26;
- \$52,000 to an account belonging to PII 304;
- \$16,000 to an account belonging to PII 9007;
- \$13,000 to an account belonging to PII 4450; and
- \$27,500 to an account belonging to Property Income Investors Holdings, LLC.

Of note, J.R. was not an investor in any of these PII entities.

Despite Brodman’s representations to investor J.R. that the \$400,000 investment would be used to purchase a property, the bank statements show that **none of the funds were used to purchase any real estate**. Instead, at that time, the Receiver understands that quarterly distributions to investors for the first quarter of 2020 were several months overdue and that distributions for the second quarter of 2020 were currently due. Records reviewed by the Receiver indicate that at least \$125,000 traceable to the \$400,000 deposit were used to pay overdue quarterly distribution checks to investors. **In other words, money from new investors was used to pay purported distributions to existing investors that was represented to be income from operations**. Brodman also diverted (i) at least \$46,000 traceable to the \$400,000 deposit to the

¹⁴ Based on the Receiver’s review of records, it appears this deposit was made the day after a credit card for the Receivership Entities was used for a \$3,000 charge to Mr. Brodman’s attorney.

LBB Account which he controlled; (ii) \$15,000 to make payments towards an overdue company credit card; and (iii) at least \$30,000 to other Receivership Entities. The Receiver is continuing to investigate these circumstances.

xii. Over \$50,000 of Investor Funds Were Lost When Brodman Forfeited a Real Estate Purchase Deposit

The Receiver discovered that, in January 2021 and February 2021 (several months after the Commission issued a subpoena to Defendant Brodman and the Receivership Entities), the PII 26 Account wired a total of \$55,000 to a law firm that Brodman had frequently used to handle real estate transactions on behalf of the Receivership Entities. Further investigation showed that these transfers were a deposit for the purchase of a single-family residential property containing a horse barn and stalls located in Parkland, Florida. It appears that Brodman intended for this property to be purchased by PII 26 using a loan that would be collateralized both by the property being purchased **and** the 3050 Property that had recently been purchased in August 2019 by PII 304. The 3050 Property had been purchased free-and-clear (by a separate Receivership Entity with different investors), and this cross-collateralization would have significantly encumbered the property and thus diminished the value of any PII 304 investments. In addition, the purchase of a single-family residential property (with a horse barn and stables) is inconsistent with the representations to investors that PII would use their funds to purchase residential multi-family properties for renovation, leasing, and resale.

The day before the transaction was scheduled to close, Brodman informed his realtor that he would not be able to close the transaction. As a result, the \$55,000 in investor funds that were being held as a deposit were forfeited to the seller and thus lost. There is no indication these losses were disclosed to investors. The Receiver is looking into whether there is a cost-effective way to

attempt to claw back these funds without investing considerable Receivership resources to accomplish this goal.

IV. THE NEXT QUARTER

A. Investigation

The Properties (along with the \$1.15 million in sale proceeds that were being held in trust at the time of the Receiver's appointment) represented the largest material asset that are attributable to investor funds. With the assistance of retained professionals, the Receiver will continue to gather and review relevant documents from the Receivership Entities and third parties to determine if there are other viable claims. The Receiver is moving forward with third-party claims and will serve notice to those third parties.¹⁵

The Receiver continues to work diligently on reviewing the transfer of funds between entities with her professionals and determine, in her discretion, the most equitable recommendation to the Court for compensating defrauded investors. Part of this investigation involves allowing her forensic accountants complete their analysis of all investor transactions and the flow of funds, a necessary task to assess and administer the Court-approved claims process and to receive final approval for the Claims Determinations for individual investors. In reviewing, analyzing, and compiling this information, the Receiver has requested that investors provide copies of relevant documentation evidencing their relationship with the Receivership Entities, which went into evaluating the reconciled claims amount for investors.

The Receiver will continue to attempt to locate additional funds and other assets and may institute proceedings to recover assets on behalf of the Receivership Entities. In an effort to more

¹⁵ At the time of filing this Report (while outside the Reporting Period), the Receiver served formal notices of claim against the accounting professionals who worked with the PII Entities during the time period Brodman and Nicolosi misappropriated investor funds.

fully understand the conduct at issue and in an attempt to locate more assets, the Receiver may conduct interviews and/or depositions of parties and third parties who may have knowledge of the fraudulent scheme.

B. Filing the Claims Determination Motion with the Court regarding Reconciled Claims Amounts, Seeking Court Approval of Claim Determinations, and Moving Forward with all Steps to Facilitate Interim Distribution to Investors.

On December 31, 2021, the Receiver filed her Claims Motion with the Court, which, in relevant part, sought approval of the framework and procedures for a claims process through which recovered funds could eventually be distributed to claimants with approved claims. On April 15, 2022, the Court approved the Claims Motion and the Receiver moved forward with mailing the 158 Proof of Claim forms to known potential claimants along with detailed instructions on preparing and submitting the completed form to the Receiver by the established submission deadline. The Claims Bar Deadline occurred on September 28, 2022. The Receiver has now reviewed all timely-submitted claims. At present, the Receiver is concluding her analysis with her professionals to verify investor claims and gain a greater understanding of the flow of funds between the entities. Once completed, Receiver will file her Claims Determination with the Court, which will request approval for the claims amount, establish an objection procedure for individuals further disputing their claims, and provide a path for future interim distribution of Receivership funds. The Receiver anticipates filing this motion in the Second Quarter of 2023.

C. Third Party Claims

The Receiver continues to analyze the existence and viability of potential claims against third parties that may have received payments or transfers to which they were not entitled to receive or persons or entities that provided services to or otherwise improperly benefitted from their affiliation with the Receivership Entities. It is too early to estimate whether or not the Receiver will bring any formal litigation claims or whether any claims will result in any recovery to the

Receivership Estate. In proceeding with these determinations, the Receiver intends to consider a number of factors, including the cost-benefit analysis of bringing any potential claim. Thus, the Receiver is not yet able to predict the likelihood, amount, or effectiveness of any particular claim or the claims as a whole. The Receiver may, however, plan to first offer those who are required to return money to the Receivership Estate the opportunity to do so cooperatively to avoid costly litigation for all involved. The Receiver intends to seek Court approval before instituting any such third-party actions.

Date: January 31, 2023

Respectfully submitted,

BUCHANAN INGERSOLL & ROONEY PC

Truist Financial Place
401 E. Jackson St., Suite 2400
Tampa, FL 33602
T: 813-222-1141
F: 813-222-8189



Lauren V. Humphries, Esq.
Florida Bar No. 117517
lauren.humphries@bipc.com
Attorneys for Receiver, Miranda L. Soto

BUCHANAN INGERSOLL & ROONEY PC

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F: 305-347-4089
raquel.rodriguez@bipc.com

/s/ Raquel A. Rodriguez

Raquel A. Rodriguez, Esq.
Florida Bar No. 511439

CERTIFICATE OF SERVICE

I hereby certify that on January 31, 2023, I electronically filed the foregoing with the Clerk of the Court by using the CM/ECF system which will send a Notice of Electronic Filing to the following counsel of record:

Alice Sum, Esq.
Securities and Exchange Commission
801 Brickell Avenue, Suite 1950
Miami, Florida 33131
Counsel for Plaintiff, Securities and Exchange Commission

Mark C. Perry, Esq.
2400 East Commercial Blvd., Ste 201
Fort Lauderdale, Florida 33308
Counsel for Defendant, Anthony Nicolosi, f/k/a Anthony Peluso

I further certify that on January 31, 2023, a true and correct copy of the foregoing was sent via electronic mail to the following:

Carl F. Schoeppl, Esq.
Schoeppl Law, P.A.
4651 North Federal Highway
Boca Raton, Florida 33431-5133
Telephone: (561) 394-8301
Facsimile: (561) 394-3121
E-mail: carl@schoeppllaw.com
Counsel for Defendant Larry Brodman

Larry Brodman
E-mail: larrybro58@gmail.com



Lauren V. Humphries, Esq.
Florida Bar No. 117517

EXHIBIT “3”

CERTIFICATION

I, **MIRANDA L. SOTO** (the "Applicant"), declare under penalty of perjury that the following is true and correct:

1. The Applicant is a Shareholder in the law firm of Buchanan Ingersoll & Rooney PC ("Buchanan Ingersoll") and the Receiver in this action. This Certification is based on the Applicant's first-hand knowledge of and review of the books, records and documents prepared and maintained by Buchanan Ingersoll in the ordinary course of its business. The Applicant knows that the facts contained in this motion regarding work performed by the Receiver and his staff and the facts contained in this Certification are true, and the Applicant is authorized by Buchanan Ingersoll to make this Certification. Having reviewed the time records and data which support the motion, the Applicant further certifies that said motion is well grounded in fact and justified.

2. The billing records of Buchanan Ingersoll which are attached to this Application are true and correct copies of the records maintained by Buchanan Ingersoll. These records were made at or near the time the acts, events, conditions or opinions described in such records occurred or were made. The Applicant knows that the records were made by persons with knowledge of the transactions or occurrences described in such records or that the information contained in the records was transmitted by a person with knowledge of the transactions or occurrences described in the records. The records were kept in the ordinary course of the regularly conducted business activity of Buchanan Ingersoll and it is the regular business practice of Buchanan Ingersoll to prepare these records.

3. To the best of the Applicant's knowledge, information and belief formed after reasonable inquiry, this motion and all fees and expenses herein are true and accurate and comply with the Billing Instructions for Receivers in Civil Actions Commenced by the SEC.

4. All fees contained in this Application are based on the rates listed in the fee schedule attached hereto and such fees are reasonable, necessary and commensurate with the skill and experience required for the activity performed.

5. The Applicant has not included in the amount for which reimbursement is sought the amortization of the cost of any investment, equipment, or capital outlay (except to the extent that any such amortization is included within the permitted allowable amounts set forth herein for photocopies and facsimile transmission).

6. In seeking reimbursement for a service which Buchanan Ingersoll justifiably purchased or contracted for from a third party, the Applicant requests reimbursement only for a service which the Applicant justifiably purchased or contracted for from a third party, the Applicant requests reimbursement only for the amount billed to the Applicant by the third-party vendor and paid by the Applicant to such vendor. If such services are performed by the Applicant, the Applicant will certify that he is not making a profit on such reimbursable service.

Executed this 15th day of February, 2023.

/s/ Miranda L. Soto

MIRANDA L. SOTO

Receiver

EXHIBIT "4"

**Total Compensation And Expenses Requested;
Any Amounts Previously Requested;
And Total Compensation And Expenses Previously Awarded**

Name	Specialty	Hours	Fees	Expenses	Total	Fees Previously Awarded	Expenses Previously Awarded
Receiver	Receiver	23.50	\$6,887.50	\$1,252.83	\$8,140.33	\$117,953.25	\$18,067.40
Buchanan Ingersoll & Rooney PC	Attorneys	127.70	\$29,994.50	\$279.76	\$30,274.26	\$361,309.94	\$1,496.90
E-Hounds		0.00	\$0.00	\$0.00	\$0.00	\$3,540.50	\$0.00
K-Tek		0.00	\$0.00	\$0.00	\$0.00	\$4,300.00	\$780.00
Kaufman		26.70	\$7,323.75	\$0.00	\$7,323.75	\$125,019.37	\$2,148.75
Total		177.90	\$44,205.75	\$1,532.59	\$45,738.34	\$612,123.06	\$22,493.05

EXHIBIT "5a"

Name	Practice Area	Title	Year Licensed	Standard Rate	Reduced Rate	Total Hours	Expenses	Billable Amount
Miranda L. Soto	Litigation	Shareholder	2003	\$ 650.00	\$ 295.00	23.00		\$ 6,785.00
Kimberly Ecker	Litigation	Paralegal		\$ 230.00	\$ 205.00	0.50		\$ 102.50
Lit Tech Support					\$ 215.00	0.00		\$ -
							\$ 1,252.83	\$ 1,252.83
Total						23.50		\$ 8,140.33

EXHIBIT "5b"

Name	Practice Area	Title	Year Licensed	Standard Rate	Reduced Rate	Total Hours	Expenses	Billable Amount
Raquel A. Rodriguez	Litigation	Shareholder	1985	\$ 995.00	\$ 295.00	2.90		\$ 855.50
Jordan D. Maglich	Litigation	Counsel	2010	\$ 490.00	\$ 295.00			\$ -
Dan Lazaro	Litigation	Associate	2012	\$ 495.00	\$ 255.00			\$ -
Eileen Murphy	Litigation	Paralegal		\$ 270.00	\$ 205.00	52.20		\$ 10,701.00
Joshua King	Litigation	Paralegal		\$ 235.00	\$ 205.00			\$ -
Kimberly Ecker	Litigation	Paralegal		\$ 230.00	\$ 205.00	1.50		\$ 307.50
Sara Enwright	Real Estate	Paralegal		\$ 255.00	\$ 205.00			\$ -
Sheada Madani	Real Estate	Senior Attorney	2004	\$ 520.00	\$ 295.00			\$ -
Lauren Humphries	Litigation	Associate	2015	\$ 450.00	\$ 255.00	71.10		\$ 18,130.50
							\$ 279.76	\$ 279.76
Total						127.70		\$ 30,274.26

EXHIBIT "5c"

Name	Title	Standard Rate	Reduced Rate	Total Hours	Total Billed
Heike Funk		\$ 200.00	\$ 150.00	9.00	\$ 1,800.00
Iana Andonova		\$ 375.00	\$ 281.25	0.00	\$ -
Michael Orourke		\$ 400.00	\$ 300.00	0.00	\$ -
Michael Orourke		\$ 450.00	\$ 337.50	11.70	\$ 5,265.00
Dana Kaufman		\$ 400.00	\$ 300.00	0.00	\$ -
Dana Kaufman		\$ 450.00	\$ 337.50	6.00	\$ 2,700.00
AA		\$ 250.00	\$ 187.50	0.00	\$ -
Total Fees					\$ 9,765.00
Less 25% Discount					\$ (2,441.25)
Total Expenses					\$ -
Previous Balance					\$ -
Total				26.7	\$ 7,323.75

EXHIBIT “6a”



One Biscayne Tower
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ANDREW O. SCHIFF, REGIONAL TRIAL COUNSEL
ALICE K. SUM, TRIAL COUNSEL
SECURITIES AND EXCHANGE COMMISSION
MIAMI REGIONAL OFFICE
801 BRICKELL AVENUE, SUITE 1950
SCHIFFA@SEC.GOV; SUMAL@SEC.GOV
MIAMI, FL 33131

January 12, 2023
Invoice No. 12210154

INVOICE SUMMARY

For Professional Services Rendered:

RE: SEC RECEIVERSHIP
Our Reference: 0104027-000001

Fees:	\$6,887.50
Disbursements:	<u>\$1,252.83</u>

Total Current Invoice:	\$8,140.33
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Buchanan

Ingersoll · Rooney

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SCHIFFA@SEC.GOV; SUMAL@SEC.GOV
MIAMI, FL 33131

January 12, 2023
Invoice No. 12210154

For Professional Services Rendered:

RE: SEC RECEIVERSHIP
Our Reference: 0104027-000001

SERVICES AND COSTS INCLUDING

Timekeeper	Date	Task	Narrative	Hours	Amount
Case Administration					
M. L. Soto	10/01/22	B110	Email to N.K. F/B/O investor R.B. confirming receipt of proof of claim documents.	0.10	29.50
M. L. Soto	10/03/22	B110	Review emails to and from G. Schilian re: water payment for 3050 LLC.	0.10	29.50
M. L. Soto	10/03/22	B110	Review proof of claim for investor W.T.	0.20	59.00
M. L. Soto	10/03/22	B110	Review proof of claim for investor R.L.	0.10	29.50
M. L. Soto	10/03/22	B110	Review letter from investor E.W.	0.10	29.50
M. L. Soto	10/03/22	B110	Review proof of claim F/B/O investor D.A.	0.10	29.50
M. L. Soto	10/03/22	B110	Emails to and from R. Rodriguez, K. Ecker, L. Humphries, and E. Murphy re: water bill for 3050, investor A.S., and Investor T.E.	0.20	59.00
M. L. Soto	10/03/22	B110	Review payment of water bill for 3050 LLC.	0.10	29.50
M. L. Soto	10/03/22	B110	Review proof of claim form for investor R.S.	0.10	29.50
M. L. Soto	10/04/22	B110	Emails to and from E. Murphy, R. Rodriguez, and L. Humphries re: communications with investors about status of claims process, updates to website, and claims received after the claims bar.	0.30	88.50
M. L. Soto	10/04/22	B110	Review executed final judgment order for A. Nicolosi.	0.10	29.50
M. L. Soto	10/04/22	B110	Review letters from IRS.	0.20	59.00

MIRANDA L. SOTO, RECEIVER
 RE: SEC RECEIVERSHIP
 0104027-000001

Page 2
 January 12, 2023
 Invoice No. 12210154

Timekeeper	Date	Task	Narrative	Hours	Amount
M. L. Soto	10/04/22	B110	Review executed final judgment order for L. Brodman.	0.10	29.50
M. L. Soto	10/05/22	B110	Review email to investors re: K-1 forms.	0.10	29.50
M. L. Soto	10/05/22	B110	Emails to and from R. Rodriguez, K. Ecker, L. Humphries, and E. Murphy re: Investor T.E. and K-1 forms.	0.30	88.50
M. L. Soto	10/06/22	B110	Email to CPAs re: letters from IRS.	0.10	29.50
M. L. Soto	10/06/22	B110	Emails to and from R. Rodriguez, L. Humphries, and E. Murphy re: team meeting to discuss K-1 forms and claims process, investor calls, and deadlines.	0.20	59.00
M. L. Soto	10/06/22	B110	Review communication from investor K.T.	0.10	29.50
M. L. Soto	10/07/22	B110	Emails to and from L. Humphries, R. Rodriguez, and E. Murphy re: processing payments to vendors.	0.10	29.50
M. L. Soto	10/08/22	B110	Emails to and from R. Rodriguez, L. Humphries, E. Murphy, and K. Ecker re: follow up from claims bar and K-1 forms.	0.20	59.00
M. L. Soto	10/08/22	B110	Review letters to investors re: K-1 forms.	0.10	29.50
M. L. Soto	10/09/22	B110	Review email from investor B.G.	0.10	29.50
M. L. Soto	10/10/22	B110	Review email to investor B.G. re: confirmation of proof of claim.	0.10	29.50
M. L. Soto	10/10/22	B110	Emails to and from R. Rodriguez, L. Humphries, and E. Murphy re: communications with investors.	0.10	29.50
M. L. Soto	10/10/22	B110	Review communication from investor J.S.	0.10	29.50
M. L. Soto	10/11/22	B110	Emails to and from L. Humphries, R. Rodriguez, and E. Murphy re: follow up with investors.	0.20	59.00
M. L. Soto	10/11/22	B110	Review preliminary draft of the SFAR.	0.20	59.00
M. L. Soto	10/12/22	B110	Emails to and from CPAs re: preliminary draft of the SFAR, and escrowed funds.	0.10	29.50

MIRANDA L. SOTO, RECEIVER
 RE: SEC RECEIVERSHIP
 0104027-000001

Page 3
 January 12, 2023
 Invoice No. 12210154

Timekeeper	Date	Task	Narrative	Hours	Amount
M. L. Soto	10/12/22	B110	Attend team meeting with R. Rodriguez, L. Humphries, and E. Murphy to discuss interim status report, claims and distribution process, SEC settlement, summary from CPAs, K-1 forms, and possible accounting malpractice case.	1.00	295.00
M. L. Soto	10/12/22	B110	Emails to and from R. Rodriguez, L. Humphries, E. Murphy, and K. Ecker re: team meeting, water bill escrowed funds for 3050 LLC, summary of calculation from CPAs, accounting malpractice reservation of rights letter, tolling agreements, and claims received after claims bar.	0.40	118.00
M. L. Soto	10/13/22	B110	Review emails to and from CPAs re: draft of SFAR.	0.10	29.50
M. L. Soto	10/14/22	B110	Review emails to and from CPAs re: draft SFAR, invoices, and closing statement.	0.20	59.00
M. L. Soto	10/14/22	B110	Review emails to and from C. Schoeppel re: wire instructions for payment of the attached Final Judgment against L. Brodman.	0.10	29.50
M. L. Soto	10/14/22	B110	Review emails to and from R. Rodriguez, L. Humphries, and E. Murphy re: Waste Pro invoice for sold property.	0.10	29.50
M. L. Soto	10/14/22	B110	Review emails to and from M. Perry re: wire instructions for payment of the attached Final Judgment against A. Nicolosi.	0.10	29.50
M. L. Soto	10/15/22	B110	Emails to and from R. Rodriguez, L. Humphries, and E. Murphy re: Interim Status Report and payment of vendors.	0.10	29.50
M. L. Soto	10/16/22	B110	Emails to and from L. Humphries re: vendor payments.	0.10	29.50
M. L. Soto	10/17/22	B110	Emails to and from L. Humphries, R. Rodriguez, and E. Murphy re: follow up with investor B.G.	0.10	29.50
M. L. Soto	10/17/22	B110	Review email from investor J.R. re: status of distribution.	0.10	29.50
M. L. Soto	10/17/22	B110	Review emails to and from investor B.G. re: status on distribution.	0.10	29.50

MIRANDA L. SOTO, RECEIVER
 RE: SEC RECEIVERSHIP
 0104027-000001

Page 4
 January 12, 2023
 Invoice No. 12210154

Timekeeper	Date	Task	Narrative	Hours	Amount
M. L. Soto	10/18/22	B110	Emails to and from L. Humphries, R. Rodriguez, and E. Murphy re: communications with investors on claims process.	0.30	88.50
M. L. Soto	10/18/22	B110	Review emails to and from investor B.G. re: status of investor distribution.	0.10	29.50
M. L. Soto	10/18/22	B110	Attend Teams Meeting with L. Humphries to discuss claims distribution process.	0.80	236.00
M. L. Soto	10/18/22	B110	Review email to investor A.E. re: claims and distribution process.	0.10	29.50
M. L. Soto	10/20/22	B110	Review email from CPAs re: tax notices.	0.10	29.50
M. L. Soto	10/20/22	B110	Review Waste Pro invoices.	0.10	29.50
M. L. Soto	10/21/22	B110	Emails to and from L. Humphries, R. Rodriguez, and E. Murphy re: Waste Pro invoices and Coleman and Cohen letter.	0.20	59.00
M. L. Soto	10/21/22	B110	Emails to and from CPAs re: tax notices and SFAR.	0.20	59.00
M. L. Soto	10/22/22	B110	Review emails to and from L. Humphries and R. Rodriguez re: Coleman and Cohen demand letter and tolling agreement.	0.10	29.50
M. L. Soto	10/23/22	B110	Review emails to and from L. Humphries and R. Rodriguez re: Coleman and Cohen demand letter and tolling agreements.	0.10	29.50
M. L. Soto	10/24/22	B110	Emails to and from L. Humphries and R. Rodriguez re: Coleman and Cohen demand letter and tolling agreements.	0.10	29.50
M. L. Soto	10/26/22	B110	Brief conference call with R. Rodriguez re: 6th Interim Report.	0.10	29.50
M. L. Soto	10/26/22	B110	Review and revise 6th Fee Application. [No charge]	1.00	N/C
M. L. Soto	10/26/22	B110	Review letter to the IRS re: 2021 taxes and penalties.	0.10	29.50
M. L. Soto	10/26/22	B110	Emails to and from CPAs re: IRS letter discussing 2021 taxes and penalties.	0.10	29.50
M. L. Soto	10/26/22	B110	Review and revise the Sixth Interim Status Report.	1.40	413.00

MIRANDA L. SOTO, RECEIVER
 RE: SEC RECEIVERSHIP
 0104027-000001

Page 5
 January 12, 2023
 Invoice No. 12210154

Timekeeper	Date	Task	Narrative	Hours	Amount
M. L. Soto	10/26/22	B110	Emails to and from L. Humphries, K. Ecker, R. Rodriguez, and E. Murphy re: status of escrow funds, edits to the 6th Interim Report, and Fee Application [no charge].	0.40	N/C
M. L. Soto	10/27/22	B110	Review emails to and from investor J.R. re: status of claims process.	0.10	29.50
M. L. Soto	10/27/22	B110	Emails to and from R. Rodriguez and L. Humphries re: follow up with investor J.R. and edits to Interim Report.	0.40	118.00
M. L. Soto	10/27/22	B110	Review email to A. Sum re: 6th Fee Application [No Charge].	0.10	N/C
M. L. Soto	10/27/22	B110	Conference call with L. Humphries to discuss edits to Interim Report.	0.30	88.50
M. L. Soto	10/28/22	B110	Review emails to and from release of escrowed funds for 3050 property's water bill.	0.10	29.50
M. L. Soto	10/28/22	B110	Emails to and from L. Humphries and R. Rodriguez re: tax memorandum and mid-Interim Report.	0.10	29.50
M. L. Soto	10/28/22	B110	Emails to and from CPAs re: tax memorandum and team for claims process analysis.	0.10	29.50
M. L. Soto	10/28/22	B110	Review CPA tax memorandum for mid-Interim Report.	0.20	59.00
M. L. Soto	10/28/22	B110	Review email to escrow counsel re: release of water escrowed funds.	0.10	29.50
M. L. Soto	10/31/22	B110	Emails to and from L. Humphries and R. Rodriguez re: edits to Interim Status Report and conference call to discuss claims process.	0.10	29.50
M. L. Soto	11/01/22	B110	Emails to and from CPAs re: letter received from the estate of investor W.L.	0.10	29.50
M. L. Soto	11/01/22	B110	Email to L. Humphries, R. Rodriguez, and E. Murphy re: letter from attorneys for the estate of W.L.	0.10	29.50
M. L. Soto	11/01/22	B110	Review letter received from the estate of investor W.L.	0.10	29.50
M. L. Soto	11/02/22	B110	Emails to and from R. Rodriguez, L. Humphries, and K. Ecker re: wire transfer for 3050 wire transfer.	0.10	29.50

MIRANDA L. SOTO, RECEIVER
 RE: SEC RECEIVERSHIP
 0104027-000001

Page 6
 January 12, 2023
 Invoice No. 12210154

Timekeeper	Date	Task	Narrative	Hours	Amount
M. L. Soto	11/03/22	B110	Review wire transfer for escrowed funds on 3050 property.	0.10	29.50
M. L. Soto	11/03/22	B110	Review email from investor R.B. re: K1-form and questions.	0.20	59.00
M. L. Soto	11/03/22	B110	Emails to and from L. Humphries and R. Rodriguez re: rates on money market account, wire transfer, and follow up with investor R.B.	0.20	59.00
M. L. Soto	11/04/22	B110	Review emails to and from investor R.B.	0.10	29.50
M. L. Soto	11/04/22	B110	Emails to and from R. Rodriguez re: communications with investors.	0.20	59.00
M. L. Soto	11/04/22	B110	Emails to and from L. Humphries and R. Rodriguez re: response to investor R.B.	0.10	29.50
M. L. Soto	11/07/22	B110	Emails to and from L. Humphries re: notice letter to previous PII CPAs.	0.10	29.50
M. L. Soto	11/08/22	B110	Emails to and from R. Rodriguez and L. Humphries re: Waste Pro invoice and communication from investor J.H.	0.10	29.50
M. L. Soto	11/08/22	B110	Review Waste Pro invoice for dispute process.	0.10	29.50
M. L. Soto	11/09/22	B110	Review letter and check from attorney from Whitman Breed.	0.10	29.50
M. L. Soto	11/09/22	B110	Review email to SEC re: A. Nicolosi and L. Brodman's settlement negotiations.	0.10	29.50
M. L. Soto	11/09/22	B110	Review emails to and from M. Perry re: A. Nicolosi's failure to make restitution payment.	0.10	29.50
M. L. Soto	11/09/22	B110	Review email to C. Schoepl re: L. Brodman's failure to pay SEC restitution.	0.10	29.50
M. L. Soto	11/09/22	B110	Emails to and from R. Rodriguez and L. Humphries re: failure to pay SEC settlement with A. Nicolosi and L. Brodman and investor J.H.	0.20	59.00
M. L. Soto	11/11/22	B110	Review email to SEC to discuss outstanding issues.	0.10	29.50
M. L. Soto	11/11/22	B110	Review email from investor R.H. re: distributions.	0.10	29.50

MIRANDA L. SOTO, RECEIVER
 RE: SEC RECEIVERSHIP
 0104027-000001

Page 7
 January 12, 2023
 Invoice No. 12210154

Timekeeper	Date	Task	Narrative	Hours	Amount
M. L. Soto	11/11/22	B110	Attend team meeting to discuss distribution process, settlement with SEC, and depositions.	1.60	472.00
M. L. Soto	11/11/22	B110	Review email to CPAs re: conference call to discuss investor R.B.'s K-1 form questions.	0.10	29.50
M. L. Soto	11/12/22	B110	Emails to and from the SEC re: conference call to discuss outstanding tasks.	0.10	29.50
M. L. Soto	11/12/22	B110	Emails to and from L. Humphries and R. Rodriguez re: follow up with investor R.H.	0.10	29.50
M. L. Soto	11/12/22	B110	Review email from CPAs re: conference call to discuss investor R.B.'s K-1 form questions.	0.10	29.50
M. L. Soto	11/13/22	B110	Emails to and from CPAs re: conference call to discuss investor R.B.'s K-1 form questions.	0.10	29.50
M. L. Soto	11/13/22	B110	Emails to and from the SEC re: conference call to discuss outstanding tasks.	0.10	29.50
M. L. Soto	11/14/22	B110	Review communications from investor R.L.	0.10	29.50
M. L. Soto	11/14/22	B110	Emails to and from SEC re: conference call to discuss outstanding issues.	0.10	29.50
M. L. Soto	11/15/22	B110	Emails to and from L. Humphries and R. Rodriguez re: communication with investor R.L.	0.10	29.50
M. L. Soto	11/16/22	B110	Attend meeting with the SEC and L. Humphries to discuss various issues in preparation for distribution motion and next interim status report.	1.00	295.00
M. L. Soto	11/16/22	B110	Review emails to and from CPAs re: conference call with investor R.B.	0.10	29.50
M. L. Soto	11/17/22	B110	Emails to and from L. Humphries and R. Rodriguez re: late submitted claims form for investor R.L.	0.10	29.50
M. L. Soto	11/17/22	B110	Review late submitted claims form for investor R.L. and compared to previously submitted claims form.	0.20	59.00
M. L. Soto	11/21/22	B110	Review emails to and from investor C.S. re: distribution and K-1 forms for 2021.	0.10	29.50

MIRANDA L. SOTO, RECEIVER
 RE: SEC RECEIVERSHIP
 0104027-000001

Page 8
 January 12, 2023
 Invoice No. 12210154

Timekeeper	Date	Task	Narrative	Hours	Amount
M. L. Soto	11/28/22	B110	Review communications from investors T.M.	0.10	29.50
M. L. Soto	11/29/22	B110	Review email to investor T.M. following up from phone conference.	0.10	29.50
M. L. Soto	11/29/22	B110	Emails to and from R. Rodriguez, L. Humphries, and E. Murphy re: communications with investors T.M. and D.M.	0.10	29.50
M. L. Soto	11/30/22	B110	Emails to and from CPAs re: conference call to discuss distribution of claims.	0.10	29.50
M. L. Soto	11/30/22	B110	Emails to and from L. Humphries, R. Rodriguez, and E. Murphy re: WastePro.	0.10	29.50
M. L. Soto	12/01/22	B110	Emails to and from R. Rodriguez, L. Humphries, and E. Murphy re: communications with investor T.L., and malpractice notice letter.	0.20	59.00
M. L. Soto	12/02/22	B110	Review objection from investor T.M.	0.10	29.50
M. L. Soto	12/02/22	B110	Emails to and from R. Rodriguez, L. Humphries, and E. Murphy re: investor T.M.'s objections to possible distribution plan.	0.10	29.50
M. L. Soto	12/02/22	B110	[No charge] Review Order granting Unopposed 6th Fee application.	0.10	N/C
M. L. Soto	12/05/22	B110	Emails to and from CPAs re: Teams Meeting to discuss distribution plan and investors' objections.	0.20	59.00
M. L. Soto	12/05/22	B110	Emails to and from R. Rodriguez, L. Humphries, and E. Murphy re: investor T.M.'s objections to possible distribution plan, and conference call.	0.20	59.00
M. L. Soto	12/05/22	B110	Email to investor T.M. re: objection to distribution plan.	0.10	29.50
M. L. Soto	12/07/22	B110	Review letter from investor T.M.	0.10	29.50
M. L. Soto	12/07/22	B110	Emails to and from L. Humphries, R. Rodriguez, and E. Murphy re: Waste Pro Invoice.	0.10	29.50
M. L. Soto	12/07/22	B110	Review Waste Pro Invoice.	0.10	29.50
M. L. Soto	12/07/22	B110	Attend meeting with CPA professionals, L.Humphries, and E.Murphy to discuss distribution plan.	1.10	324.50
M. L. Soto	12/08/22	B110	Review emails to and from CPAs re: Equinox documents.	0.10	29.50

MIRANDA L. SOTO, RECEIVER
 RE: SEC RECEIVERSHIP
 0104027-000001

Page 9
 January 12, 2023
 Invoice No. 12210154

Timekeeper	Date	Task	Narrative	Hours	Amount
M. L. Soto	12/09/22	B110	Review email from CPAs with corresponding Excel spreadsheets re: Equinox.	0.20	59.00
M. L. Soto	12/09/22	B110	Attend Teams Meeting with R. Rodriguez and L. Humphries to discuss distribution plan.	0.30	88.50
M. L. Soto	12/09/22	B110	ADD Review email from CPAs re: Equinox documents.	0.10	29.50
M. L. Soto	12/12/22	B110	Emails to and from R. Rodriguez, L. Humphries, and E. Murphy re: investor W.H.	0.10	29.50
M. L. Soto	12/13/22	B110	Review emails to and from investor M.S. re: status of year end distribution.	0.10	29.50
M. L. Soto	12/13/22	B110	Review email to CPAs re: Equinox and meeting to discuss next steps.	0.20	59.00
M. L. Soto	12/19/22	B110	Emails to and from E. Murphy, R. Rodriguez, and L. Humphries re: investor M.S. and Waste Pro.	0.20	59.00
M. L. Soto	12/19/22	B110	Review emails to and from investor M.S. re: status of distribution process.	0.10	29.50
M. L. Soto	12/19/22	B110	Review emails to and from CPAs re: investor J.R.'s investment analysis.	0.10	29.50
M. L. Soto	12/20/22	B110	Review email to Waste Pro re: outstanding balance for sanitation services.	0.10	29.50
M. L. Soto	12/20/22	B110	Emails to and from E. Murphy, R. Rodriguez, and L. Humphries re: Waste Pro.	0.20	59.00
M. L. Soto	12/21/22	B110	Review emails to and from CPAs with corresponding documents re: disputed amounts by investors.	0.20	59.00
Subtotal Case Administration				24.60	6,785.00
Asset Analysis and Recovery					
K. L. Ecker	12/20/22	B120	Review and respond to e-mail from L. Humphries regarding PII property closings and information	0.40	82.00
K. L. Ecker	12/20/22	B120	E-mail to A. Stoner regarding closed properties and WastePro invoices	0.10	20.50

MIRANDA L. SOTO, RECEIVER
 RE: SEC RECEIVERSHIP
 0104027-000001

Page 10
 January 12, 2023
 Invoice No. 12210154

Timekeeper	Date	Task	Narrative	Hours	Amount
Subtotal Asset Analysis and Recovery				0.50	102.50
Total Hours				25.10	
Total Fees					\$6,887.50

DESCRIPTION OF COSTS

	Description	Amount
06/01/22	Website Maintenance	780.00
10/01/22	Miscellaneous Miranda L. Soto Receivership Hostgator fee	42.00
10/15/22	Miscellaneous Miranda L. Soto Receivership - Hostgator	42.00
10/31/22	E-Discovery Data Services - Monthly RelativityOne hosting.	101.61
11/30/22	E-Discovery Data Services - Monthly RelativityOne hosting.	101.61
11/30/22	Miscellaneous Miranda L. Soto Hostgator Fees	42.00
12/30/22	Miscellaneous Miranda L. Soto Hostgator Online Fees	42.00
12/31/22	E-Discovery Data Services - Monthly RelativityOne hosting.	101.61
	Total Costs	\$1,252.83

Amount Due This Invoice:	\$8,140.33
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MIRANDA L. SOTO, RECEIVER
RE: SEC RECEIVERSHIP
0104027-000001

Page 11
January 12, 2023
Invoice No. 12210154

TIMEKEEPER SUMMARY

Name	Title	Hours	Rate	Amount
K. L. Ecker	Paralegal	0.50	205.00	102.50
M. L. Soto	Partner	23.00	295.00	6,785.00
M. L. Soto	Partner	1.60	N/C	N/C
	Total	25.10		6,887.50



One Biscayne Tower
Two South Biscayne Blvd., Suite 1500
Miami, FL 33131-1822

T 305 347 4080
F 305 347 4089
www.bipc.com

REMITTANCE STATEMENT

ANDREW O. SCHIFF, REGIONAL TRIAL COUNSEL
ALICE K. SUM, TRIAL COUNSEL
SECURITIES AND EXCHANGE COMMISSION
MIAMI REGIONAL OFFICE
801 BRICKELL AVENUE, SUITE 1950
SCHIFFA@SEC.GOV; SUMAL@SEC.GOV
MIAMI, FL 33131

January 12, 2023
Invoice No. 12210154

Our Reference: 0104027-000001
Client Name: MIRANDA L. SOTO, RECEIVER
Invoice Date: January 12, 2023
Invoice Number: 12210154
Total Due This Invoice: \$8,140.33

Total Due All Invoices For this Matter:	\$8,140.33
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**PLEASE RETURN THIS REMITTANCE STATEMENT WITH YOUR PAYMENT
THANK YOU**

Make checks payable to: Buchanan Ingersoll & Rooney
Union Trust Building
Attn: Accounting Department
501 Grant Street – Suite 200
Pittsburgh, PA 15219-4413
Tax ID: 25-1381032

Wire / ACH Information
PNC Bank, N.A.
Buchanan Ingersoll & Rooney Operating Account
Account #: 1133081072
Routing#: 043000096
SWIFT CODE: PNCCUS33
Please Reference 0104027-000001 Invoice: 12210154

Amount remitted this payment: \$ _____

**RECENT FEES AND DISBURSEMENTS MAY NOT
YET BE ENTERED ON YOUR ACCOUNT AND
IF NOT, WILL BE SUBSEQUENTLY BILLED**

EXHIBIT “6b”



One Biscayne Tower
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Miami, FL 33131-1822

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ANDREW O. SCHIFF, REGIONAL TRIAL COUNSEL
ALICE K. SUM, TRIAL COUNSEL
SECURITIES AND EXCHANGE COMMISSION
MIAMI REGIONAL OFFICE
801 BRICKELL AVENUE, SUITE 1950
SCHIFFA@SEC.GOV; SUMAL@SEC.GOV
MIAMI, FL 33131

January 12, 2023
Invoice No. 12210153

INVOICE SUMMARY

For Professional Services Rendered:

RE: SEC V PROPERTY INCOME INVESTORS LLC
Our Reference: 0104027-000002

Fees:	\$29,994.50
Disbursements:	<u>\$279.76</u>

Total Current Invoice:	\$30,274.26
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STATEMENT OF ACCOUNT

Invoice Date	Invoice No	Invoice Amount	Payments/Credits	Due
10/18/22	12193100	\$68,977.98	(\$68,977.68)	\$0.30

Total Prior Balance Due:	\$0.30
Current Invoice:	\$30,274.26

Total Due All Invoices For this Matter:	\$30,274.56
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Two South Biscayne Blvd., Suite 1500
Miami, FL 33131-1822

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ANDREW O. SCHIFF, REGIONAL TRIAL COUNSEL
ALICE K. SUM, TRIAL COUNSEL
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801 BRICKELL AVENUE, SUITE 1950
SCHIFFA@SEC.GOV; SUMAL@SEC.GOV
MIAMI, FL 33131

January 12, 2023
Invoice No. 12210153

For Professional Services Rendered:

RE: SEC V PROPERTY INCOME INVESTORS LLC
Our Reference: 0104027-000002

SERVICES AND COSTS INCLUDING

Timekeeper	Date	Task	Narrative	Hours	Amount
Asset Analysis and Recovery					
K. L. Ecker	10/03/22	B120	E-mail payment receipt for final water invoice for 3050 to G. Schillian	0.10	20.50
K. L. Ecker	10/03/22	B120	Receive and review payment receipt for final water invoice for 3050 from V. Martinez	0.10	20.50
L. Humphries	10/03/22	B120	Drafted update to Interim Report.	0.60	153.00
K. L. Ecker	10/03/22	B120	E-mail exchange with M. Soto regarding follow up with G. Schillian to request additional monies to be wired and update file for same	0.20	41.00
L. Humphries	10/06/22	B120	Reviewed and assessed tax documents regarding penalties.	0.30	76.50
L. Humphries	10/06/22	B120	Assessed documents for Investor RW	0.20	51.00
L. Humphries	10/06/22	B120	Communicated with KTek regarding website hosting.	0.20	51.00
L. Humphries	10/06/22	B120	Attendance at phone conference with investor R.W. regarding process and question on documents.	0.40	102.00
L. Humphries	10/12/22	B120	Attendance at phone conference with S. Williams regarding docusign change for PII account.	0.20	51.00
L. Humphries	10/12/22	B120	Preparation of review of 42 special attention Proof of Claim forms regarding discrepancies in amount claimed.	1.50	382.50

MIRANDA L. SOTO, RECEIVER
 RE: SEC V PROPERTY INCOME INVESTORS LLC
 0104027-000002

Page 2
 January 12, 2023
 Invoice No. 12210153

Timekeeper	Date	Task	Narrative	Hours	Amount
L. Humphries	10/12/22	B120	Reviewed correspondence from Kaufman professionals regarding questions on transfer and funds with property management company.	0.30	76.50
L. Humphries	10/12/22	B120	Attendance at meeting with Receiver regarding claims process Proof of Claims and steps to recover additional funds for the estate.	1.00	255.00
L. Humphries	10/12/22	B120	Assessed tax memorandum prepared by Kaufman CPA Professionals regarding PII entity information.	0.20	51.00
K. L. Ecker	10/12/22	B120	Review and respond to e-mail from L. Humphries regarding status of receipt of wired funds remaining from G. Schillian for 3050	0.20	41.00
L. Humphries	10/13/22	B120	Review of account information for transfer from judgments.	0.20	51.00
L. Humphries	10/13/22	B120	Reviewed voicemails from investors.	0.20	51.00
L. Humphries	10/13/22	B120	Receipt and review of email correspondence from investor BG.	0.10	25.50
L. Humphries	10/13/22	B120	Review and analysis of documents related to SFAR statement	0.40	102.00
K. L. Ecker	10/14/22	B120	Review file and reply to e-mail from M. O'Rourke regarding closing statement for 201 property	0.20	41.00
L. Humphries	10/14/22	B120	Communicated with Defendants regarding payments and debts owed to the Estate.	0.20	51.00
L. Humphries	10/14/22	B120	Communicated with opposing counsel regarding judgments to be paid.	0.20	51.00
L. Humphries	10/14/22	B120	Attendance at phone conference with Investor L.D. regarding judgments.	0.40	102.00
L. Humphries	10/17/22	B120	Communicated with investor BD regarding claims process.	0.20	51.00
L. Humphries	10/18/22	B120	Reviewed and evaluated investor claim in preparation of phone conference.	0.30	76.50
L. Humphries	10/18/22	B120	Drafted correspondence to investor BG regarding distribution questions.	0.20	51.00
L. Humphries	10/18/22	B120	Drafted Tolling agreement regarding claim against entities CPA firm.	0.50	127.50
L. Humphries	10/18/22	B120	Drafted correspondence to investors AE and PE regarding claims.	0.20	51.00

MIRANDA L. SOTO, RECEIVER
 RE: SEC V PROPERTY INCOME INVESTORS LLC
 0104027-000002

Page 3
 January 12, 2023
 Invoice No. 12210153

Timekeeper	Date	Task	Narrative	Hours	Amount
L. Humphries	10/18/22	B120	Communicated with Kaufman professionals regarding accounting calculations.	0.20	51.00
L. Humphries	10/18/22	B120	Attendance at phone conference with investor BG.	0.30	76.50
L. Humphries	10/18/22	B120	Attendance at phone conference with investor A.E. regarding claims process and distribution questions.	0.40	102.00
L. Humphries	10/18/22	B120	Attendance at phone conference with Receiver regarding claims analysis and Equinox issues.	1.20	306.00
L. Humphries	10/21/22	B120	Assessed documents related to Coleman and Cohen for potential claim demand.	2.50	637.50
L. Humphries	10/21/22	B120	Preparation of edits to the draft Tolling Agreement.	0.30	76.50
L. Humphries	10/21/22	B120	Preparation of various correspondence with Michael O'rourk.	0.20	51.00
L. Humphries	10/23/22	B120	Preparation of edits to letter on Receiver's potential malpractice claims.	0.20	51.00
L. Humphries	10/24/22	B120	Receipt and review of correspondence from investor Claimant J.J.	0.20	51.00
L. Humphries	10/24/22	B120	Communicated with Kaufman professionals on account reconciliation.	0.40	102.00
K. L. Ecker	10/26/22	B120	E-mail G. Schillian to follow up on status of remaining funds for 3050	0.10	20.50
L. Humphries	10/26/22	B120	Preparation of edits to draft Sixth Interim Report.	0.80	204.00
K. L. Ecker	10/26/22	B120	Review and respond to e-mail from M. Soto regarding status of remaining funds to be wired for 3050	0.20	41.00
L. Humphries	10/26/22	B120	Attendance at phone conference with claimant investor regarding distribution process.	0.40	102.00
L. Humphries	10/27/22	B120	Attendance at phone conference with Receiver on Claims Form Review.	0.40	102.00
L. Humphries	10/28/22	B120	Receipt and review of correspondence from Investor J.R.	0.10	25.50
L. Humphries	10/28/22	B120	Communicated with Kaufman professionals.	0.20	51.00
L. Humphries	10/28/22	B120	Drafted update to Interim Report.	1.00	255.00
K. L. Ecker	10/28/22	B120	E-mail G. Schillian to follow up on status of remaining funds	0.10	20.50
L. Humphries	10/31/22	B120	Drafted updates to Interim Report.	0.80	204.00

MIRANDA L. SOTO, RECEIVER
 RE: SEC V PROPERTY INCOME INVESTORS LLC
 0104027-000002

Page 4
 January 12, 2023
 Invoice No. 12210153

Timekeeper	Date	Task	Narrative	Hours	Amount
L. Humphries	10/31/22	B120	Preparation of edits to Fee Application (No Charge)	0.50	N/C
L. Humphries	10/31/22	B120	Preparation of various email correspondence with SEC.	0.20	51.00
L. Humphries	11/01/22	B120	Reviewed correspondence sent on behalf of the Estate of Investor W.L.	0.20	51.00
L. Humphries	11/02/22	B120	Reviewed investor Proof of Claim Form in regards to request received from trustee.	0.30	76.50
L. Humphries	11/02/22	B120	Communicated with Ron During regarding website.	0.20	51.00
L. Humphries	11/02/22	B120	Communicated with real estate professionals regarding wire of escrow related to prior management of real property utilities.	0.20	51.00
L. Humphries	11/02/22	B120	Preparation of edits to formal correspondence regarding third party claims.	0.40	102.00
K. L. Ecker	11/02/22	B120	Review case file and e-mail M. Soto to confirm wire received for 3050 remaining funds	0.20	41.00
L. Humphries	11/03/22	B120	Attendance at phone conference with Jon Nunz of Servis regarding interest rates for accounts.	0.30	76.50
L. Humphries	11/03/22	B120	Drafted email correspondence regarding wire to servis.	0.10	25.50
L. Humphries	11/03/22	B120	Attendance at phone conference regarding transfer of funds to Servis.	0.30	76.50
K. L. Ecker	11/03/22	B120	Review e-mail from E. Miller confirming receipt of wire for 3050	0.10	20.50
L. Humphries	11/04/22	B120	Assessed various documents concerning investor RB questions on tax concerns.	0.50	127.50
L. Humphries	11/04/22	B120	Drafted correspondence to claimant RB.	0.20	51.00
L. Humphries	11/07/22	B120	Reviewed servis accounts to determine whether judgments paid.	0.10	25.50
L. Humphries	11/07/22	B120	Drafted updated message to PII Communication line for investor emails.	0.20	51.00
L. Humphries	11/08/22	B120	Reviewed communication from investor RH.	0.20	51.00
L. Humphries	11/08/22	B120	Review of servis accounts to determine whether judgments paid.	0.10	25.50
L. Humphries	11/08/22	B120	Review and analysis of waste pro issue with real property charges.	0.20	51.00

MIRANDA L. SOTO, RECEIVER
 RE: SEC V PROPERTY INCOME INVESTORS LLC
 0104027-000002

Page 5
 January 12, 2023
 Invoice No. 12210153

Timekeeper	Date	Task	Narrative	Hours	Amount
L. Humphries	11/09/22	B120	Reviewed servis accounts to determine whether judgments paid.	0.10	25.50
L. Humphries	11/09/22	B120	Communicated with Receiver regarding issue with unpaid judgments of Defendants Nicolosi and Brodman.	0.40	102.00
L. Humphries	11/09/22	B120	Drafted correspondence to investor RB regarding information request.	0.10	25.50
L. Humphries	11/09/22	B120	Preparation of various correspondence to counsel for defendants regarding failure to pay judgment amount to Receivership Estate.	0.30	76.50
L. Humphries	11/11/22	B120	Preparation of various correspondence regarding K1 issues and IRS questions.	0.40	102.00
L. Humphries	11/11/22	B120	Attendance at phone conference with Receiver and Receiver staff counsel regarding claims process, judgment issue with Nicolosi and Brodman, and other tasks regarding asset collection.	1.80	459.00
L. Humphries	11/14/22	B120	Assessed information related to RH prior to call.	0.30	76.50
L. Humphries	11/15/22	B120	Attendance at phone conference with claimant investor.	0.30	76.50
L. Humphries	11/15/22	B120	Assessed information regarding claimant RL regarding request from investor.	0.40	102.00
L. Humphries	11/16/22	B120	Assessed information provided by claimant JA in preparation for phone conference with accountants.	0.30	76.50
L. Humphries	11/16/22	B120	Attendance at phone conference with Alice Sum regarding claims process.	1.00	255.00
L. Humphries	11/21/22	B120	Reviewed investor documents regarding claims process issues.	1.50	382.50
L. Humphries	11/22/22	B120	Preparation of claims process review regarding disputed claims.	2.50	637.50
L. Humphries	11/29/22	B120	Preparation of summary to file on investor claim.	0.20	51.00
L. Humphries	11/29/22	B120	Attendance at phone conference with claimant investor T.M.	0.40	102.00
L. Humphries	11/29/22	B120	Attendance at phone conference with claimant investor D.M.	0.40	102.00

MIRANDA L. SOTO, RECEIVER
 RE: SEC V PROPERTY INCOME INVESTORS LLC
 0104027-000002

Page 6
 January 12, 2023
 Invoice No. 12210153

Timekeeper	Date	Task	Narrative	Hours	Amount
L. Humphries	11/30/22	B120	Attendance at phone conference with sales representative of Waste Pro regarding account information and continuing obligation of property payment.	0.40	102.00
L. Humphries	12/01/22	B120	Preparation of review of claims file information regarding documents for investors.	2.50	637.50
L. Humphries	12/06/22	B120	Review of investor files and forms for Claims Determination Motion.	2.60	663.00
L. Humphries	12/07/22	B120	Attendance at phone conference with Kaufman CPA professionals on distribution.	1.20	306.00
L. Humphries	12/09/22	B120	Review of records in preparation of claims Motion.	1.40	357.00
L. Humphries	12/09/22	B120	Attendance at phone conference with the Receiver.	0.50	127.50
L. Humphries	12/14/22	B120	Review of documents and Equinox analysis in advance of call with Kaufman CPAs.	1.50	382.50
L. Humphries	12/14/22	B120	Assessed documents for investors in preparation of claims analysis.	2.00	510.00
L. Humphries	12/14/22	B120	Receipt and review of correspondence from claimant J.R.	0.10	25.50
L. Humphries	12/15/22	B120	Drafted correspondence to investor J.R. regarding claim.	0.10	25.50
L. Humphries	12/15/22	B120	Attendance at meeting with Eileen Murphy regarding Kaufman analysis.	0.80	204.00
L. Humphries	12/16/22	B120	Preparation of Claims Determination analysis.	2.80	714.00
L. Humphries	12/19/22	B120	Attendance at phone conference with investor M.S.	0.40	102.00
L. Humphries	12/20/22	B120	Assessed closing information for real property in preparation of email to Alice Stoner.	0.40	102.00
L. Humphries	12/20/22	B120	Review of Keyes records regarding owners of properties in Receivership.	0.20	51.00
L. Humphries	12/20/22	B120	Preparation of update to Receiver.	0.20	51.00
L. Humphries	12/20/22	B120	Attendance at phone conference with Alice Stoner regarding referral of invoice to magistrate.	0.40	102.00

MIRANDA L. SOTO, RECEIVER
 RE: SEC V PROPERTY INCOME INVESTORS LLC
 0104027-000002

Page 7
 January 12, 2023
 Invoice No. 12210153

Timekeeper	Date	Task	Narrative	Hours	Amount
Subtotal Asset Analysis and Recovery				51.20	12,853.50
Petitions, Schedules, Statement of Affairs					
R. Rodriguez	10/26/22	B115	Review, revise and comment on Sixth Interim Report.	0.90	265.50
Subtotal Petitions, Schedules, Statement of Affairs				0.90	265.50
Fee/Employment Applications					
R. Rodriguez	10/26/22	B160	Review, revise and comment on further revised and corrected invoices and fee application.	0.70	N/C
R. Rodriguez	10/27/22	B160	Review, revise and comment on further revised and corrected invoices and fee application.	1.20	N/C
Subtotal Fee/Employment Applications				1.90	0.00
Case Administration					
R. Rodriguez	10/11/22	B110	Email with E. Murphy regarding response to investor inquiry.	0.10	29.50
R. Rodriguez	10/12/22	B110	Review and comment on draft SFAR.	0.30	88.50
L. Humphries	10/13/22	B110	Communicate with KTek.	0.20	51.00
L. Humphries	10/13/22	B110	Drafted demand letter regarding potential litigation against PII professionals.	0.50	127.50
L. Humphries	10/17/22	B110	Attendance at phone conference with investor RB.	0.20	51.00
L. Humphries	10/21/22	B110	Assessed PII documents regarding potential third party claim.	1.20	306.00
L. Humphries	10/25/22	B110	Receipt and review of correspondence from investor claimant J.J.	0.10	25.50
L. Humphries	10/25/22	B110	Drafted correspondence to investor J.J.	0.10	25.50
L. Humphries	10/25/22	B110	Attendance at phone conference with investor claimant G.D.	0.30	76.50

MIRANDA L. SOTO, RECEIVER
 RE: SEC V PROPERTY INCOME INVESTORS LLC
 0104027-000002

Page 8
 January 12, 2023
 Invoice No. 12210153

Timekeeper	Date	Task	Narrative	Hours	Amount
L. Humphries	10/27/22	B110	Assessed documents from PII Entities in preparation of claims process analysis of calculation discussion regarding Equinox.	1.50	382.50
L. Humphries	10/27/22	B110	Drafted correspondence to Michael O'Rourk at Kaufman CPA Professionals on accounting analysis.	0.10	25.50
L. Humphries	10/27/22	B110	Communicated with Receiver on issues with claims review.	0.40	102.00
L. Humphries	10/27/22	B110	Receipt and review of correspondence from Michael O'Rourk of Kaufman Professionals.	0.10	25.50
L. Humphries	11/03/22	B110	Communicated with Servis regarding account management and wires.	0.20	51.00
R. Rodriguez	11/04/22	B110	Review and respond to email from M. Soto re addressing excessive demands for information from RB and costs to receivership estate as result of same.	0.10	29.50
L. Humphries	11/09/22	B110	Communicated with various individuals regarding judgment issue.	0.30	76.50
L. Humphries	11/09/22	B110	Draft email to SEC regarding judgment issue.	0.10	25.50
E. M. Murphy	11/11/22	B110	Review and analysis of the status of claims and related analysis, accountant issues, asset collection (Judgments), and additional follow-up required.	1.60	328.00
R. Rodriguez	11/11/22	B110	Assessed K-1's, investor questions and enforcement of judgment obtained by SEC.	1.50	442.50
L. Humphries	11/15/22	B110	Drafted various correspondence to Receiver regarding claims.	0.20	51.00
L. Humphries	11/16/22	B110	Preparation of various correspondence regarding K1s.	0.20	51.00
L. Humphries	11/16/22	B110	Attendance at phone conference with Kaufman CPA Professionals regarding tax considerations and IRS issues.	1.00	255.00
L. Humphries	11/17/22	B110	Receipt and review of Proof of Claim for RL and SP.	0.30	76.50
L. Humphries	11/18/22	B110	Attendance at phone conference with investor LD regarding judgment issue.	0.30	76.50
L. Humphries	11/21/22	B110	Reviewed information related to investor CS in response to request for information.	0.20	51.00

MIRANDA L. SOTO, RECEIVER
 RE: SEC V PROPERTY INCOME INVESTORS LLC
 0104027-000002

Page 9
 January 12, 2023
 Invoice No. 12210153

Timekeeper	Date	Task	Narrative	Hours	Amount
L. Humphries	11/22/22	B110	Reviewed Proof of Claims Forms in preparation for distribution.	1.60	408.00
L. Humphries	11/29/22	B110	Draft email correspondence to investor J.M.	0.10	25.50
L. Humphries	11/30/22	B110	Draft various correspondence to Receiver regarding property management costs.	0.10	25.50
L. Humphries	11/30/22	B110	Attendance at phone conference with Receiver's CPA professionals regarding priority of claims.	0.60	153.00
L. Humphries	12/07/22	B110	Preparation of legal research regarding distribution method for investors.	2.50	637.50
L. Humphries	12/07/22	B110	Preparation of documents for Receiver's CPAs.	0.60	153.00
L. Humphries	12/08/22	B110	Preparation of research regarding distribution between entities.	2.50	637.50
L. Humphries	12/09/22	B110	Reviewed documentation submitted by Kaufman CPAs.	0.50	127.50
L. Humphries	12/09/22	B110	Preparation of research regarding equity in distribution for Claims Determination Motion.	1.50	382.50
L. Humphries	12/13/22	B110	Attendance at phone conference with investor M.S.	0.40	102.00
L. Humphries	12/14/22	B110	Attendance at phone conference with Kaufman CPAs regarding claims analysis.	0.40	102.00
L. Humphries	12/19/22	B110	Attendance at phone conference with investor J.R. regarding equinox investments.	1.50	382.50
L. Humphries	12/20/22	B110	Preparation of various correspondence to Waste Pro.	0.30	76.50
L. Humphries	12/21/22	B110	Preparation of review of claims information regarding analysis by Kaufman.	1.80	459.00
Subtotal Case Administration				25.50	6,502.50
Claims and Plan					
E. M. Murphy	10/03/22	B300	Receive and review additional Proof of Claims mailings (post-bar date) and notations regarding same.	0.60	123.00

MIRANDA L. SOTO, RECEIVER
 RE: SEC V PROPERTY INCOME INVESTORS LLC
 0104027-000002

Page 10
 January 12, 2023
 Invoice No. 12210153

Timekeeper	Date	Task	Narrative	Hours	Amount
E. M. Murphy	10/03/22	B300	Follow-up for returned mail from Groups 2 and 3 Schedule K-1 mailings (chart notations).	0.90	184.50
E. M. Murphy	10/03/22	B300	Review K-1 situation with 2 investors (from Group 2, 3 sets) and prepare mailings for same (including drafting letters).	1.10	225.50
E. M. Murphy	10/03/22	B300	Update Investor information request chart to document contacts and submissions during week of claims bar date .	0.60	123.00
E. M. Murphy	10/04/22	B300	Follow-up/documentation for K-1 packets returned as undeliverable and for confirmed deliveries (certified mailings - Group 1)	1.70	348.50
E. M. Murphy	10/04/22	B300	Review 3 claims submitted by Investor D.A. and his related business, document and follow-up for same.	0.20	41.00
E. M. Murphy	10/04/22	B300	Follow-up and additional documentation for Post-Bar date claim submission and related issues	2.40	492.00
E. M. Murphy	10/05/22	B300	Continued follow-up with K-1 mailings and updates to tracking of same.	1.30	266.50
E. M. Murphy	10/05/22	B300	Follow-up with contacts for investors with miscellaneous issues with Proof of Claims submission.	0.90	184.50
E. M. Murphy	10/05/22	B300	Follow-up with Investors regarding K-1 and disbursement inquiries (M/M E).	0.20	41.00
E. M. Murphy	10/06/22	B300	Follow-up with investor contact and Proof of Claims from final claims received prior to 09/28/22 (update tracking sheets for same).	0.50	102.50
E. M. Murphy	10/06/22	B300	Review proof of claim records and update spreadsheets in preparation for status meeting with L. Humphries.	0.50	102.50
E. M. Murphy	10/06/22	B300	Draft letters regarding supplemental mailing of Schedule K-1 forms for Investor M.L. and Investor B.L and finalize for outgoing.	0.70	143.50
E. M. Murphy	10/06/22	B300	Review for contact information for Investor KJT	0.10	20.50

MIRANDA L. SOTO, RECEIVER
 RE: SEC V PROPERTY INCOME INVESTORS LLC
 0104027-000002

Page 11
 January 12, 2023
 Invoice No. 12210153

Timekeeper	Date	Task	Narrative	Hours	Amount
E. M. Murphy	10/06/22	B300	Review for status of Proof of Claim for Investor RW and follow-up regarding same.	0.30	61.50
E. M. Murphy	10/10/22	B300	Review Proof of Claims for confirmation of Investor chart information and chart of all submitted claims in preparation for post-Bar Date analysis.	2.00	410.00
E. M. Murphy	10/10/22	B300	Review for and confirm receipt of Investor (B.G.) Proof of Claim per Investor request.	0.30	61.50
E. M. Murphy	10/11/22	B300	Work on tracking chart for submissions by Bar Date and confirm with proof of claim documentation.	2.70	553.50
E. M. Murphy	10/11/22	B300	Contact Investor J.S. and follow-up regarding same.	0.20	41.00
E. M. Murphy	10/12/22	B300	Attend attorney team status meeting regarding Proof of Claims bar date review and follow-up required.	1.10	225.50
E. M. Murphy	10/12/22	B300	Review and prepare for attorney team status meeting.	0.30	61.50
E. M. Murphy	10/12/22	B300	Work on calculations (create excel charts for Investment groups) for submitted claims.	2.70	553.50
E. M. Murphy	10/12/22	B300	Edit and complete Proof of Claims chart in preparation for attorney team status meeting.	1.20	246.00
E. M. Murphy	10/13/22	B300	Review files and draft Coleman and Cohen demand letter and tolling agreement for L. Humphries review.	2.40	492.00
E. M. Murphy	10/19/22	B300	Follow-up with PII Investor contact/information requests	0.30	61.50
E. M. Murphy	11/02/22	B300	Review incoming correspondence regarding investor status, contact information and update tracking for same (Investor W.L., probate attorney)	0.40	82.00
E. M. Murphy	11/08/22	B300	Work on updates for Receivership Email and Phone Message Boxes for Investors to contact attorney team for information/updates.	0.40	82.00
E. M. Murphy	11/09/22	B300	Review for and update tracking for Investor HFT contact for Claim status	0.20	41.00

MIRANDA L. SOTO, RECEIVER
 RE: SEC V PROPERTY INCOME INVESTORS LLC
 0104027-000002

Page 12
 January 12, 2023
 Invoice No. 12210153

Timekeeper	Date	Task	Narrative	Hours	Amount
E. M. Murphy	11/09/22	B300	Review for and update tracking for Investor ML (deceased) for estate contact for Claim.	0.20	41.00
E. M. Murphy	11/14/22	B300	Review and follow-up with claims information for RL and S. Partnership in preparation for attorney team response to inquiry.	0.20	41.00
E. M. Murphy	11/16/22	B300	Review regarding Investors contact information (from calls/other inquiries)	0.40	82.00
E. M. Murphy	11/18/22	B300	Receive and review copy of R.L/SG Partnership claim and follow-up for tracking of same	0.20	41.00
E. M. Murphy	11/22/22	B300	Edits and updates to the submitted claims spreadsheets (create additional sub-spreadsheets) to assist accountant analysis.	0.70	143.50
E. M. Murphy	11/22/22	B300	Meet with L. Humphries to determine status of claims process (by individual investors) and upcoming tasks for accountant analysis.	1.70	348.50
E. M. Murphy	11/22/22	B300	Review for and create files for the disputed PII claims by investor (for use by accountants for claims analysis).	2.20	451.00
E. M. Murphy	11/23/22	B300	Review accountant records to determine Investors with claims both for Equinox and PII entities and create files for same.	0.70	143.50
E. M. Murphy	11/23/22	B300	Continue with review and analysis to create files of all disputed PII claims (for use by accountants for claims analysis).	3.20	656.00
E. M. Murphy	11/23/22	B300	Begin review and analysis to create files of all disputed Equinox claims (for use by accountants for claims analysis).	0.90	184.50
E. M. Murphy	11/28/22	B300	Review, edit and complete PII and Equinox Investment files (for accountant review/analysis).	1.20	246.00
E. M. Murphy	11/28/22	B300	Continue with review for and compiling documents for Claims Dispute files for Equinox investors.	0.60	123.00
E. M. Murphy	11/29/22	B300	Update tracking charts for claim amount (in preparation for accountant analysis).	2.10	430.50

MIRANDA L. SOTO, RECEIVER
 RE: SEC V PROPERTY INCOME INVESTORS LLC
 0104027-000002

Page 13
 January 12, 2023
 Invoice No. 12210153

Timekeeper	Date	Task	Narrative	Hours	Amount
E. M. Murphy	11/30/22	B300	Update and edits for Investor Claims chart (prepared for accountant claims analysis).	1.90	389.50
E. M. Murphy	12/01/22	B300	Review status of TL Trust claim and follow up with M. Soto regarding same for claimant response.	0.20	41.00
E. M. Murphy	12/07/22	B300	Prepare for and participate in telephone conference with attorney team and accounting firm regarding distribution status and Equinox vs. PII investments.	1.00	205.00
E. M. Murphy	12/08/22	B300	Work on documentation to be forwarded to accounting professionals for review (R-E investments, dual entity investments).	0.40	82.00
E. M. Murphy	12/09/22	B300	Work on 2nd transmittal of claims documents files to Kaufman CPA's for their analysis (Equinox and PII "Disputed Claims").	0.20	41.00
E. M. Murphy	12/12/22	B300	Review for Investor W.H. claim and documentation for follow up for his distribution inquiry.	0.10	20.50
E. M. Murphy	12/15/22	B300	Meet with L. Humphries for discussion of information required for accounts for their review/analysis and regarding distribution/court order issues.	0.50	102.50
E. M. Murphy	12/16/22	B300	Review claims files and create charts for disputed claims for accountants' analysis.	1.10	225.50
E. M. Murphy	12/16/22	B300	Begin work on claims documentation folders to forward to CPA's for claims analysis.	0.40	82.00
E. M. Murphy	12/19/22	B300	Review for and transmittal of files for Investor M. S. documents with regard to his call for status.	0.20	41.00
E. M. Murphy	12/19/22	B300	Continued and completed work on claimant dispute files for CPA's review	2.30	471.50
E. M. Murphy	12/20/22	B300	Complete Claims dispute folders and edit charts related to same for analysis by CPA firm.	1.10	225.50
E. M. Murphy	12/21/22	B300	Transmittal of complete Claim Dispute files to accounting firm for analysis (uploads for large files).	0.70	143.50

MIRANDA L. SOTO, RECEIVER
 RE: SEC V PROPERTY INCOME INVESTORS LLC
 0104027-000002

Page 14
 January 12, 2023
 Invoice No. 12210153

Timekeeper	Date	Task	Narrative	Hours	Amount
Subtotal Claims and Plan				50.60	10,373.00
Total Hours				130.10	
Total Fees					\$29,994.50

DESCRIPTION OF COSTS

Description		Amount
09/13/22	Mailing	88.70
09/13/22	Mailing	173.70
09/13/22	Mailing	14.48
10/13/22	Postage - M. L. Soto	2.88
Total Costs		\$279.76

Amount Due This Invoice:	\$30,274.26
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MIRANDA L. SOTO, RECEIVER
RE: SEC V PROPERTY INCOME INVESTORS LLC
0104027-000002

Page 15
January 12, 2023
Invoice No. 12210153

TIMEKEEPER SUMMARY

Name	Title	Hours	Rate	Amount
K. L. Ecker	Paralegal	1.50	205.00	307.50
E. M. Murphy	Paralegal	52.20	205.00	10,701.00
L. Humphries	Associate	71.10	255.00	18,130.50
L. Humphries	Associate	0.50	N/C	N/C
R. Rodriguez	Partner	2.90	295.00	855.50
R. Rodriguez	Partner	1.90	N/C	N/C
	Total	130.10		29,994.50



One Biscayne Tower
Two South Biscayne Blvd., Suite 1500
Miami, FL 33131-1822

T 305 347 4080
F 305 347 4089
www.bipc.com

REMITTANCE STATEMENT

ANDREW O. SCHIFF, REGIONAL TRIAL COUNSEL
ALICE K. SUM, TRIAL COUNSEL
SECURITIES AND EXCHANGE COMMISSION
MIAMI REGIONAL OFFICE
801 BRICKELL AVENUE, SUITE 1950
SCHIFFA@SEC.GOV; SUMAL@SEC.GOV
MIAMI, FL 33131

January 12, 2023
Invoice No. 12210153

Our Reference:	0104027-000002
Client Name:	MIRANDA L. SOTO, RECEIVER
Invoice Date:	January 12, 2023
Invoice Number:	12210153
Total Due This Invoice:	\$30,274.26
Total Prior Balance Due:	\$0.30

Total Due All Invoices For this Matter:	\$30,274.56
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**PLEASE RETURN THIS REMITTANCE STATEMENT WITH YOUR PAYMENT
THANK YOU**

Make checks payable to: Buchanan Ingersoll & Rooney
Union Trust Building
Attn: Accounting Department
501 Grant Street – Suite 200
Pittsburgh, PA 15219-4413
Tax ID: 25-1381032

Wire / ACH Information
PNC Bank, N.A.
Buchanan Ingersoll & Rooney Operating Account
Account #: 1133081072
Routing#: 043000096
SWIFT CODE: PNCCUS33
Please Reference 0104027-000002 Invoice: 12210153

Amount remitted this payment: \$ _____

**RECENT FEES AND DISBURSEMENTS MAY NOT
YET BE ENTERED ON YOUR ACCOUNT AND
IF NOT, WILL BE SUBSEQUENTLY BILLED**

EXHIBIT “6c”

Kaufman & Company, PA

1001 Brickell Bay Drive ■ Suite 2650 ■ Miami, FL 33131

Phone: (305) 455-0314 E-mail: dkaufman@kaufmancpas.com Web: www.kaufmancpas.com

Property Income Investors Invoice: 12092

Property Income Investors Date: 10/31/2022
 Buchanan Ingersoll & Rooney Due Date: 11/30/2022
 One Biscayne Tower, Suite 1500
 Miami, FL 33131-1822

For professional service rendered as follows:
 Litigation Support services for October 2022 3,540.00

See attached listing

Billed Time & Expenses	\$3,540.00
Discount	(887.50)
Invoice Total	\$2,652.50

Beginning Balance	\$79,141.87
Invoices	2,652.50
Receipts	(14,330.62)
Adjustments	0.00
Service Charges	0.00
Amount Due	\$67,463.75

<u>10/31/2022</u>	<u>09/30/2022</u>	<u>08/31/2022</u>	<u>07/31/2022</u>	<u>06/30/2022+</u>	<u>Total</u>
2,652.50	12,862.50	10,338.75	16,533.75	25,076.25	\$67,463.75

Please return this portion with payment.

Invoice: 12092

ID: J507800
 Property Income Investors
 (305) 347-4086

Date: 10/31/2022
 Due Date: 11/30/2022

Card Type: _____ CSV: _____ Exp Date: _____

Amount Due: \$67,463.75

Card #: _____

Amount Enclosed: \$ _____

Signature: _____

Kaufman & Company, PA

1001 Brickell Bay Drive ■ Suite 2650 ■ Miami, FL 33131

Phone: (305) 455-0314 E-mail: dkaufman@kaufmancpas.com Web: www.kaufmancpas.com

Property Income Investors Invoice: 12154

Property Income Investors Date: 11/30/2022
 Buchanan Ingersoll & Rooney Due Date: 12/30/2022
 One Biscayne Tower, Suite 1500
 Miami, FL 33131-1822

For professional service rendered as follows:

Litigation Support services for November 2022 1,845.00

See attached time and expense journal

Billed Time & Expenses	\$1,845.00
Discount	(461.25)
Invoice Total	<u>\$1,383.75</u>
Beginning Balance	\$67,463.75
Invoices	1,383.75
Receipts	0.00
Adjustments	0.00
Service Charges	<u>0.00</u>
Amount Due	<u>\$68,847.50</u>

<u>11/30/2022</u>	<u>10/31/2022</u>	<u>09/30/2022</u>	<u>08/31/2022</u>	<u>07/31/2022+</u>	<u>Total</u>
1,383.75	2,652.50	12,862.50	10,338.75	41,610.00	\$68,847.50

Please return this portion with payment.

Invoice: 12154

ID: J507800
 Property Income Investors
 (305) 347-4086

Date: 11/30/2022
 Due Date: 12/30/2022

Card Type: _____ CSV: _____ Exp Date: _____

Amount Due: \$68,847.50

Card #: _____

Amount Enclosed: \$ _____

Signature: _____

Kaufman & Company, PA

1001 Brickell Bay Drive ■ Suite 2650 ■ Miami, FL 33131

Phone: (305) 455-0314 E-mail: dkaufman@kaufmancpas.com Web: www.kaufmancpas.com

Property Income Investors Invoice: 12169

Property Income Investors
 Buchanan Ingersoll & Rooney
 One Biscayne Tower, Suite 1500
 Miami, FL 33131-1822

Date: 12/31/2022
 Due Date: 01/30/2023

For professional service rendered as follows:

Litigation Support services for December 2022 8,745.00
 See attached report

Billed Time & Expenses	\$8,745.00
Discount	(2,186.25)
Invoice Total	\$6,558.75

Beginning Balance	\$68,847.50
Invoices	6,558.75
Receipts	(64,811.25)
Adjustments	(3,271.25)
Service Charges	0.00
Amount Due	\$ 7,323.75

<u>12/31/2022</u>	<u>11/30/2022</u>	<u>10/31/2022</u>	<u>09/30/2022</u>	<u>08/31/2022+</u>	<u>Total</u>
3,287.50	1,383.75	2,652.50	0.00	0.00	\$7,323.75

Please return this portion with payment.

Invoice: 12169

ID: J507800
 Property Income Investors
 (305) 347-4086

Date: 12/31/2022
 Due Date: 01/30/2023

Card Type: _____ CSV: _____ Exp Date: _____

Amount Due: \$7,323.75

Card #: _____

Amount Enclosed: \$ _____

Signature: _____

October 1, 2022 - December 31, 2022

Staff	Entry Date	Engagement	Project		Hrs/Units	Amount
MO	10/11/22	J507800	GEN	LIT	0.10	\$ 45.00
MO	10/11/22	J507800	GEN	LIT	2.10	945.00
MO	10/12/22	J507800	GEN	LIT	3.70	1665.00
MO	10/19/22	J507800	GEN	LIT	0.70	315.00
MO	10/20/22	J507800	GEN	LIT	0.60	270.00
HF	10/25/22	J507800	GEN	1	0.60	120.00
MO	10/26/22	J507800	GEN	LIT	0.40	180.00
					8.20	3540.00
MO	11/01/22	J507800	GEN	LIT	0.40	45.00
MO	11/11/22	J507800	GEN	LIT	0.20	90.00
MO	11/16/22	J507800	GEN	LIT	0.60	270.00
MO	11/16/22	J507800	GEN	LIT	0.20	90.00
DMK	11/17/22	J507800	LIT	LIT	1.50	675.00
MO	11/17/22	J507800	GEN	LIT	0.30	135.00
DMK	11/29/22	J507800	GEN	LIT	0.50	225.00
MO	11/29/22	J507800	GEN	LIT	0.70	315.00
					4.10	1845.00
HF	12/08/22	J507800	LIT	1	1.00	200.00
MO	12/13/22	J507800	GEN	LIT	1.50	675.00
HF	12/14/22	J507800	GEN	1	0.40	80.00
MO	12/14/22	J507800	GEN	LIT	0.70	315.00
DMK	12/17/22	J507800	GEN	LIT	1.00	450.00
DMK	12/17/22	J507800	GEN	LIT	8.00	3600.00
DMK	12/17/22	J507800	GEN	LIT	4.00	1800.00
DMK	12/19/22	J507800	LIT	LIT	0.50	225.00
HF	12/21/22	J507800	LIT	1	2.00	400.00
HF	12/22/22	J507800	LIT	1	1.50	300.00
HF	12/23/22	J507800	LIT	1	3.50	700.00
					24.10	8745.00
					36.40	\$ 14,130.00

Staff	Hrs/Units	Rate	Amount
DMK	15.50	450	6,975.00
MO	11.90	450	5,355.00
HF	9.00	200	1,800.00
		<u>36.40</u>	<u>14,130.00</u>

Billings for Q4	Invoiced	Discount	Amount	
Oct-22	3,540.00	(887.50)	2,652.50	
Nov-22	1,845.00	(461.25)	1,383.75	
Dec-22	8,745.00	(2,186.25)	6,558.75	
			<u>14,130.00</u>	<u>\$ 10,595.00</u>

Property Income Investors Receivership
 October 1, 2022 - December 31, 2022
 Adjusted Hours Reduced to Billing Standards

Staff	Entry Date	Engagement	Project		Hrs/Units	Amount
MO	10/11/22	J507800	GEN	LIT	0.10	\$ 45.00
MO	10/11/22	J507800	GEN	LIT	2.10	945.00
MO	10/12/22	J507800	GEN	LIT	3.50	1575.00
MO	10/22/22	J507800	GEN	LIT	0.20	N/C
MO	10/19/22	J507800	GEN	LIT	0.70	315.00
MO	10/20/22	J507800	GEN	LIT	0.60	270.00
HF	10/25/22	J507800	GEN	1	0.60	120.00
MO	10/26/22	J507800	GEN	LIT	0.40	180.00
					8.20	3450.00
MO	11/01/22	J507800	GEN	LIT	0.10	45.00
MO	11/11/22	J507800	GEN	LIT	0.20	90.00
MO	11/16/22	J507800	GEN	LIT	0.60	270.00
MO	11/16/22	J507800	GEN	LIT	0.20	90.00
DMK	11/17/22	J507800	LIT	LIT	1.50	675.00
MO	11/17/22	J507800	GEN	LIT	0.30	135.00
DMK	11/29/22	J507800	GEN	LIT	0.50	225.00
MO	11/29/22	J507800	GEN	LIT	0.70	315.00
					4.10	1845.00
HF	12/08/22	J507800	LIT	1	1.00	200.00
MO	12/13/22	J507800	GEN	LIT	1.50	675.00
HF	12/14/22	J507800	GEN	1	0.40	80.00
MO	12/14/22	J507800	GEN	LIT	0.70	315.00
DMK	12/17/22	J507800	GEN	LIT	1.00	N/C
DMK	12/17/22	J507800	GEN	LIT	3.50	1575.00
DMK	12/17/22	J507800	GEN	LIT	4.50	N/C
DMK	12/17/22	J507800	GEN	LIT	4.00	N/C
DMK	12/19/22	J507800	LIT	LIT	0.50	225.00
HF	12/21/22	J507800	LIT	1	2.00	400.00
HF	12/22/22	J507800	LIT	1	1.50	300.00
HF	12/23/22	J507800	LIT	1	3.50	700.00
					24.10	4470.00
					36.40	\$ 9,765.00

Staff	Hrs/Units	Rate	Amount
DMK	15.50	450	6,975.00
MO	11.90	450	5,355.00
HF	9.00	200	1,800.00
	<u>36.40</u>		<u>14,130.00</u>

Billings for	Hours		Balance	Discount	Amount
	Invoiced	Not Charged			
Oct-22	3,540.00	(90.00)	3,450.00	(862.50)	2,587.50
Nov-22	1,845.00		1,845.00	(461.25)	1,383.75
Dec-22	8,745.00	(4,275.00)	4,470.00	(1,117.50)	3,352.50
	<u>14,130.00</u>	<u>(4,365.00)</u>	<u>9,765.00</u>	<u>(3,535.00)</u>	<u>7,323.75</u>
					\$ 7,323.75

Billing Worksheet

Friday, January 6, 2023

October 1, 2022 - December 31, 2022

October 1, 2022 - December 31, 2022

J507800 Property Income Investors, LLC

Property Income Investors

Miranda L. Soto, Esq.

Buchanan Ingersoll & Rooney

One Biscayne Tower, Suite 1500

Miami, FL 33131-1822

Office:

Phone (Business): (305) 347-4086

E-mail: miranda.soto@bjpc.com

Partner:

Manager:

Associate:

*** Billing Instructions:**

J507800		Property Income Investors, LLC		Time & Expenses Available to be billed				Bill Amount	Comments / Biller Note (*Biller:)	
Engagement	Project	Staff	Activity	Date	Rate per Hour/Unit	Hours/Units	Cost			Amount
For Professional Services										
GEN		MO	LIT	10/01/22	Time:	0.00	0.10	0.00	45.00	Comments: Resend Lauren K-1s which did not go through to his accountant
GEN		MO	LIT	10/11/22	Time:	0.00	2.10	0.00	945.00	Comments: Prepare SFAR for Q3
GEN		MO	LIT	10/12/22	Time:	0.00	3.70	0.00	1,665.00	Comments: Memo relating to tax return timeline and investor options to revise or amend their tax filings for K-1s that may not have been included in their 2020 and 2021 returns.
GEN		MO	LIT	10/19/22	Time:	0.00	0.70	0.00	315.00	Comments: Research IRS notices for PII LLC, 304, 3504, 4450 and 9007
GEN		MO	LIT	10/20/22	Time:	0.00	0.60	0.00	270.00	Comments: Write responses to IRS re notices for final issuance week of 10/24 and inquire if any other notices were received
GEN		HF	3501	10/25/22	Time:	0.00	0.60	0.00	120.00	Comments: Printing extensions to FCS and preparing package to send to IRS for extension notices for 2021
GEN		MO	LIT	10/26/22	Time:	0.00	0.40	0.00	180.00	Comments: Update draft of SFAR for Q3 to incorporate sale of 201 property net of receiver fees
GEN		MO	LIT	11/01/22	Time:	0.00	0.10	0.00	45.00	Comments: Work on K-1 / claim question from the Estate of W. L.
GEN		MO	LIT	11/11/22	Time:	0.00	0.20	0.00	90.00	Comments: review "Questions for Kaufman and Company II.docx" from Mr. B. in preparation for setting a conference call for following week

Billing Worksheet

Friday, January 6, 2023

October 1, 2022 - December 31, 2022

October 1, 2022 - December 31, 2022

Time & Expenses Available to be billed

Engagement	Project	Staff	Activity	Date	Rate per Hour/Unit	Hours/Units	Cost	Amount	Bill Amount	Comments / Biller Note (*Biller:)
J507800	Property Income Investors, LLC									
GEN		MO	LIT	11/16/22	Time: 0.00	0.60	0.00	0.00	270.00	Comments: Call with Mr. B.
GEN		MO	LIT	11/16/22	Time: 0.00	0.20	0.00	0.00	90.00	Comments: Prepare for meeting with Mr. B. with Ms. Humphries
GEN		MO	LIT	11/17/22	Time: 0.00	0.30	0.00	0.00	135.00	Comments: Follow-up research for Mr. B. re PII 304 ownership interest in PII 3504
GEN		DMK	LIT	11/29/22	Time: 0.00	0.50	0.00	0.00	225.00	Comments: b. questions
GEN		MO	LIT	11/29/22	Time: 0.00	0.70	0.00	0.00	315.00	Comments: B. - calculations relating to investor repayments and answers to latest email for J. A. and R. B. investments into 1361 in 2019
GEN		MO	LIT	12/13/22	Time: 0.00	1.50	0.00	0.00	675.00	Comments: Analyze Mr. R. claim documents in preparation for meeting with Ms. Humphries 12/14
GEN		HF	LIT	12/14/22	Time: 0.00	0.40	0.00	0.00	80.00	Comments: phone call
GEN		MO	LIT	12/14/22	Time: 0.00	0.70	0.00	0.00	315.00	Comments: Zoom meeting with Ms. Humphries
GEN		DMK	LIT	12/17/22	Time: 0.00	1.00	0.00	0.00	450.00	Comments: conf call
GEN		DMK	LIT	12/17/22	Time: 0.00	8.00	0.00	0.00	3,600.00	Analyze and compile 650 transactions between Equinox and the PII entities in order to determine the balances due to and from the PII companies from Equinox and prepare an excel spreadsheet all transfers to and from Equinox from various PII entities
GEN		DMK	LIT	12/17/22	Time: 0.00	4.00	0.00	0.00	1,800.00	Continue working on PII excel spreadsheet and perform OCR on all Equinox bank stmts to make them searchable for purposes of analysis and retrieval of intercompany transactions
For Professional Services Totals									11,630.00	
Litigation Support										
LIT		DMK	LIT	11/17/22	Time: 0.00	1.50	0.00	0.00	675.00	Comments: w/ lauren and r. b.
LIT		HF	2500	12/08/22	Time: 0.00	1.00	0.00	0.00	200.00	Comments: Setting up excel and checking Equinox QB for check transactions and helping Dana with intercompany transaction clean up
LIT		DMK	LIT	12/19/22	Time: 0.00	0.50	0.00	0.00	225.00	Comments: r. contributions
LIT		HF	LIT	12/21/22	Time: 0.00	2.00	0.00	0.00	400.00	Comments: Disputed claims reconciliation
LIT		HF	LIT	12/22/22	Time: 0.00	1.50	0.00	0.00	300.00	Comments: Disputed claims excel detail
LIT		HF	LIT	12/23/22	Time: 0.00	3.50	0.00	0.00	700.00	Comments: PII investor dispute claims recon
Litigation Support Totals									2,500.00	
Client Property Income Investors, LLC Totals									14,130.00	

Billing Worksheet

Friday, January 6, 2023

October 1, 2022 - December 31, 2022

October 1, 2022 - December 31, 2022

Report Totals

36.40

0.00

0.00

EXHIBIT “7”

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

CASE NO.: 21-61176-CIV-SINGHAL

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

PROPERTY INCOME INVESTORS, LLC,
EQUINOX HOLDINGS, INC.,
PROPERTY INCOME INVESTORS 26, LLC,
PROPERTY INCOME INVESTORS 304, LLC,
PROPERTY INCOME INVESTORS 201, LLC,
PROPERTY INCOME INVESTORS 3504, LLC,
PROPERTY INCOME INVESTORS 1361, LLC,
PROPERTY INCOME INVESTORS 4020, LLC,
PROPERTY INCOME INVESTORS 9007, LLC,
PROPERTY INCOME INVESTORS 417, LLC,
PROPERTY INCOME INVESTORS 4450, LLC,
PROPERTY INCOME INVESTORS 3050, LLC,
LARRY B. BRODMAN and ANTHONY
NICOLOSI (f/k/a ANTHONY PELUSO),

Defendants.

**ORDER GRANTING RECEIVER'S UNOPPOSED SEVENTH INTERIM
OMNIBUS APPLICATION FOR ALLOWANCE AND PAYMENT
OF PROFESSIONALS' FEES AND REIMBURSEMENT OF EXPENSES
FOR OCTOBER 1, 2022 – DECEMBER 31, 2022**

THIS CAUSE came before the Court on Miranda L. Soto, as Receiver's (the "**Receiver**") Unopposed Seventh Interim Omnibus Application for Allowance and Payment of Professionals' Fees and Reimbursement of Expenses for October 1, 2022 through December 31, 2022 (Doc. 106) (the "**Application**"). With the Court having considered the Application, reviewed the file, and finding that cause exists to grant the Application, it is hereby **ORDERED** as follows:

1. The Application is **GRANTED**.

2. The Court awards the following sums and directs that payment be made from

Receivership assets:

Miranda L. Soto, as Receiver	\$ 8,140.33
Buchanan Ingersoll & Rooney PC	\$30,274.26
Kaufman & Company PA	\$ 7,323.75

DONE and ORDERED this ____ day of _____, 2023 in the Southern
District of Florida.

UNITED STATES DISTRICT COURT JUDGE

4886-6128-2080, v. 1