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12 KRISTA FREITAG

13 UNITED STATES DISTRICT COURT  
14 SOUTHERN DISTRICT OF CALIFORNIA

15  
16 SECURITIES AND EXCHANGE  
COMMISSION,  
17  
Plaintiff,  
18  
v.  
19 GINA CHAMPION-CAIN and ANI  
20 DEVELOPMENT, LLC,  
21  
Defendants,  
22 AMERICAN NATIONAL  
INVESTMENTS, INC.,  
23  
Relief Defendant.  
24  
25  
26  
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Case No. 3:19-cv-01628-TWR-AHG

**RECEIVER'S TWENTY-SEVENTH  
INTERIM REPORT AND  
RECOMMENDATIONS**

Ctrm: 14A  
Judge: Hon. Todd W. Robinson

1 Krista Freitag (“Receiver”), the Court-appointed permanent receiver for  
2 Defendant ANI Development, LLC, Relief Defendant American National  
3 Investments, Inc., and their subsidiaries and affiliates (“Receivership Entities”),  
4 hereby submits her Twenty-Seventh Interim Report and Recommendations  
5 (“Twenty-Seventh Report”).

6 **A. BACKGROUND**

7 This equity receivership involved a large, complex, and wide-ranging group  
8 of enterprises and assets which are the subject of the Complaint filed by the  
9 Securities and Exchange Commission. This quarterly report covers the Receiver’s  
10 activities during the first quarter of 2026 and reflects the status of certain activities  
11 as of the date of this report, if material action has occurred between March 31,  
12 2026, and the date of this report.

13 **B. EXECUTIVE SUMMARY**

14 As reported, the receivership estate assets were primarily comprised of cash,  
15 33 commercial and residential properties, 27 restaurant and retail operations, not  
16 including commissary kitchen operations (both owned and leased properties),  
17 voluminous personal property (including restaurant equipment, product inventory,  
18 retail merchandise, liquor licenses and intellectual property associated with the  
19 operations of the enterprise), various notes receivable or equity investments made  
20 by the Receivership Entities, and potential causes of action. During the first  
21 quarter of 2026, the Receiver continued to make steady progress resolving the  
22 remaining ongoing litigation matters and otherwise discharging her duties.

23 As of the date of this report, all owned real property and nearly all personal  
24 property assets have been monetized or otherwise resolved. The remaining assets  
25 consist of a few items of personal property/office equipment and some investments  
26 summarized as “Other Investments/Loans” in the attached Exhibit A asset chart.  
27 The remaining recovery from these assets remains in flux; however, further  
28

1 recovery on the personal property and “Other Investments/Loans” is expected to  
2 be immaterial in relation to the scope of the overall receivership.

3 Since her appointment, the Receiver closed sales of real properties and  
4 leasehold interests (including associated liquor licenses) with an aggregate gross  
5 sale price of over \$40 million, while paying off nearly \$24 million in secured debt  
6 through escrow, resolving those secured claims against the receivership estate.  
7 The remaining work consists of the sale/disposition of a few remaining investment  
8 assets, enforcement of judgments against Kim Peterson and his entities and trusts,  
9 and completing the Court-approved distribution process.

10 **C. SUMMARY OF RECEIVER’S ACTIVITIES**

11 First Quarter 2026 Cash Activity Highlight

12 The cash activity highlight for the first quarter of 2026 includes:

- 13 • \$32,722 of interest income resulting from the receivership estate’s  
14 participation in an insured cash sweep program, which not only  
15 earns interest, but also fully protects the funds in FDIC-insured  
16 accounts.
- 17 • \$1,952 from a clawback recovery.

18 Additional recovery and expense detail through the first quarter of 2026 is  
19 included on the receipts and disbursements schedule attached hereto as Exhibit B.

20 Status of Real and Personal Property Assets

21 Throughout this case, the Receiver has taken significant steps to implement  
22 the Appointment Order, including managing all assets controlled, operated,  
23 leased, or owned by the Receivership Entities. Exhibit A is a schedule of all  
24 known real property, businesses/operations, third-party investments/loans, and  
25 liquor license assets of the Receivership Entities and their disposition.

26 The Receiver recovered over \$16 million from the assets reflected on  
27 Exhibit A. In addition, the Bandini Street Property, which was owned by  
28 Defendant Champion-Cain and her husband Steven Cain, was refinanced with

1 Court approval, resulting in a \$1.3 million recovery for the receivership estate.  
2 The Receiver continues to work on recovery for the assets listed as “Other  
3 Investments/Loans” on Exhibit A.

4 The \$16 million recovered does not include any amounts associated with  
5 clawback claims, causes of action or third-party recoveries not reflected  
6 specifically on Exhibit A, which are discussed in further detail below. Exhibit A  
7 reflects net sales proceeds only and does not reflect revenue or expenses  
8 associated with the listed assets prior to their disposition.

9 Loans and Other Investments

10 Through her investigation, meetings, and document review, the Receiver  
11 identified numerous loans and investments made by Champion-Cain and the  
12 Receivership Entities, as well as associated business interests and assets. Based  
13 upon interviews with Champion-Cain and records reviewed by the Receiver, it  
14 appears that millions of dollars were spent in connection with investments in  
15 various enterprises and loans to third parties. The Receiver has recovered certain  
16 of these items to date (see Exhibit A) and will continue efforts to do so in a cost-  
17 effective manner. However, it is important to note that many of these  
18 investments or loans were highly speculative with few cost-effective alternatives  
19 for recovery.

20 The Court previously approved the Receiver’s settlement with Illa  
21 Designs, LLC (“Illa”) which had received a startup loan from the Receivership  
22 Entities. Pursuant to that settlement, Illa’s principals recorded a deed of trust in  
23 favor of the receivership estate on their property and listed their home for sale.  
24 The receivership estate was expected to recover approximately \$265,000 and  
25 modest interim payments were made toward that amount. Illa later sought to  
26 refinance the property in lieu of a sale, but those efforts were unsuccessful. On  
27 December 18, 2024, the Receiver entered into an amended settlement agreement  
28 that required the property to be re-listed for sale. This amended settlement

1 allowed the Receiver some additional control over the terms of the property  
2 listing and sale process, but, depending on the ultimate sale price, could result in  
3 a reduced recovery. The property was relisted in Spring 2025 without receiving  
4 an offer after approximately six months. The property was removed from the  
5 market, however it was relisted in December 2025, with marketing efforts  
6 starting in Spring 2026. Since then, the property’s list price has been reduced  
7 twice based on recommendations from the listing agent to ensure that the  
8 property is sold this year.

9 As previously discussed, other loans/investments appear unlikely to lead to  
10 a recovery due to the specifics of the investment or the costs of pursuit. The  
11 Receiver will provide a further update on these other investments if  
12 circumstances materially change.

### 13 Third-Party Claims

14 The receivership estate made significant claims against third parties for the  
15 substantial losses suffered by the Receivership Entities and the amounts owed to  
16 investors and creditors of the Receivership Entities. The Receiver identified  
17 certain third parties who directly or indirectly aided and abetted the principals of  
18 the receivership entities in wrongful conduct resulting in tens of millions of  
19 dollars of losses.

20 All funds associated with two settlements with third-party professionals -  
21 William Adams and Randolph Houts – have been collected as approved by this  
22 Court. Dkt. 682 and 925.

23 In December 2021, the Court conditionally approved the Receiver’s  
24 request to pursue claims against Chicago Title Company (“CTC”). Dkt. 737.  
25 Following a settlement between the Receiver, CTC, and related parties, the Court  
26 entered an order on November 22, 2022, (Dkt. 927) 1) approving the global  
27 settlement and 2) issuing a bar order in favor of CTC. Three parties – Ovation  
28 Management, Kim Peterson and his funding entities, and CalPrivate Bank

1 (“CalPrivate”) – appealed the CTC bar order and a related bar order concerning  
2 Nossaman, LLP. The Receiver later reached a settlement with CalPrivate to  
3 resolve both its appeal and its disputed claim in the receivership. A joint motion  
4 for approval was filed (Dkt. 956), and the Court approved the settlement on April  
5 24, 2023 (Dkt. 995). Under the approved settlement, CalPrivate assigned its  
6 claims against Kim Peterson and his entities to the receivership estate. In return,  
7 CalPrivate received its share of the CTC settlement, an additional \$500,000 and a  
8 portion of any future recovery from Peterson and his affiliates. CalPrivate  
9 dismissed its appeal. Although Peterson and his entities initially appealed the  
10 CalPrivate settlement approval, they later withdrew their appeal.

11 With respect to the appeals of the settlement approval and bar orders filed  
12 by the Peterson Parties and Ovation Management, the Ninth Circuit Court of  
13 Appeals issued its decision affirming the Court’s orders. Dkt. 1064. Ovation  
14 Management and Kim Peterson filed petitions for certiorari to the U.S. Supreme  
15 Court, which petitions were denied. Dkt. 1094, 1095.

16 Clawback Claims

17 The Court authorized the Receiver to proceed with claims to recover profits,  
18 referral fees, commissions and other amounts paid to profiting investors and other  
19 third parties (“Clawback Claims”). Dkt. 551. The Receiver has since resolved 89  
20 Clawback Claims representing approximately \$9.73 million of payments recovered  
21 for the benefit of investors. The Clawback Claims that have resulted in lawsuits  
22 have been assigned to this Court as related actions. In each of these cases, an ENE  
23 with Magistrate Judge Goddard was held (in some cases, multiple ENE sessions  
24 were held), or a default has been entered against the Clawback Defendants. All  
25 Clawback cases have now been resolved through settlement, summary judgment,  
26 default judgment, or in one instance, a bankruptcy filed by the clawback  
27 defendant. One case (Kim Peterson and his entities and trusts) involves ongoing  
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1 efforts to collect on judgments and one additional resolved case continues to make  
2 modest payments pursuant to a bankruptcy plan.

3 With respect to the litigation against Peterson and his entities and trusts, the  
4 Receiver moved for summary judgment, and on January 9, 2024, the Court granted  
5 the motion in part and denied it in part, permitting briefing on certain discrete  
6 issues. Supplemental briefing was completed in early 2025. On October 20, 2025,  
7 the District Court granted the Receiver’s motion for summary judgment on the  
8 Clawback Claim, and on November 4, 2025, entered a final judgment against  
9 Peterson and his entities and trusts jointly in the amount of \$8,463,845.76, and on  
10 the contract claims against ANI License and the 1992 Peterson Family Trust  
11 jointly in the amount of \$6,063,573.89. Separately, on July 11, 2025, the Receiver  
12 obtained summary judgment in the state court against Peterson personally for  
13 nearly \$6,000,000 based on his personal guaranty for the CalPrivate loan.

14 The Receiver is actively pursuing enforcement of the federal and state court  
15 judgments. In connection with those efforts, the Receiver discovered that  
16 Peterson’s home, formerly owned by the 1992 Peterson Family Trust, was  
17 transferred twice in 2025 – first to his daughters and then to a third party (Del Mar  
18 Capital Investors, LLC or “DMCI”). DMCI provided capital to ensure that the  
19 house was not lost to foreclosure because Peterson had apparently stopped paying  
20 the mortgage and real property taxes on the home. Peterson had also listed the  
21 property for sale. The Receiver filed a new fraudulent transfer lawsuit against  
22 Peterson’s daughters and DMCI, and on April 3, 2026, the Court approved a  
23 settlement between the Receiver and DMCI. The settlement is expected to result  
24 in a sale of the property by DMCI and a meaningful recovery for the receivership  
25 estate, although the timing remains uncertain. The Receiver is also pursuing  
26 recovery from a billboard located in San Francisco owned by Kim Media, LLC.

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1 The Receiver has also issued post-judgment discovery requests to Peterson  
2 and his entities and trusts and is taking steps to schedule and conduct judgment  
3 debtor examinations for Peterson and his entities and trusts as well.

4 A summary of third-party settlement collections through March 31, 2026 is  
5 below:

6 Chicago Title Settlement	\$23,805,295
7 William Adams Settlement	\$703,200
8 Randolph Houts Settlement	\$290,000
9 Approximately 89 Clawback settlements	\$9,730,655
10 <b>Total collected through 3/31/26</b>	<b>\$34,529,150</b>

11  
12 Receivership Estate Operations

13 The remaining operations of the Receivership Entities are very limited at  
14 this stage. AMA Networks continues to monitor the corporate network for a  
15 minimal monthly charge and responds to requests on an as-needed basis. The  
16 remaining general operational work is completed by the Receiver’s staff, as  
17 needed. Company servers, remaining personal property and records are held in  
18 storage at the Receiver’s San Diego office or in Iron Mountain document storage.

19 Claims Process & Taxes

20 The Receiver filed a Motion to approve claims administration procedures,  
21 set a Claims Bar Date, and approve related notices and forms (Dkt. 681), which the  
22 Court granted on October 14, 2021 (Dkt. 716). The deadline for investors and  
23 creditors to submit claims was December 31, 2021. Following the claims review  
24 process, the Receiver filed a motion on May 31, 2022, to approve claim  
25 treatments, distribution methodology, and a proposed distribution plan (Dkt. 807).  
26 In compliance with the Court’s directive, the Receiver submitted a proposed notice  
27 plan and briefing schedule on May 26, 2022 (Dkt. 797), which the Court approved  
28 on August 31, 2022 (Dkt. 812). The Court issued its final Order approving the

1 claims treatment, distribution methodology, and plan on February 24, 2023 (Dkt.  
2 958).

3 On March 13, 2023, Kim Peterson, Kim Funding, LLC and ABC Funding  
4 Strategies, LLC (“Peterson Parties”) filed a notice of appeal of the denial of their  
5 claims in the receivership and a motion seeking to stay distributions to investors  
6 and creditors from the receivership estate while they pursue their appeal. Dkt.  
7 972, 973. On April 10, 2023, the stay motion was denied, however a temporary  
8 stay was granted until April 24, 2023, so the Peterson Parties could seek a further  
9 stay from the Ninth Circuit Court of Appeals. Dkt. 987. The Peterson Parties filed  
10 an emergency motion with the Ninth Circuit on April 17, 2023. The Receiver  
11 opposed the emergency motion, and it was denied by the Ninth Circuit on  
12 April 24, 2023. Despite the Peterson Parties’ appeal and stay motions, the  
13 Receiver proceeded with the approved Distribution Plan, filing a Notice of  
14 Allowed Claim Adjustments on April 6, 2023 (Dkt. 986) and a Notice of Interim  
15 Distribution on April 11, 2023 (Dkt. 988). Both notices were posted online and  
16 sent to investors. In May 2023, the Court-approved first interim distribution of  
17 \$21 million was issued, bringing total investor recovery to 90.92% of MIMO net  
18 losses, with some receiving full recovery through Chicago Title settlements. Trade  
19 and tax creditors with allowed claims also recovered 90.92%.

20 On April 28, 2025, the Ninth Circuit affirmed this Court’s order denying the  
21 Peterson Parties’ claims against the receivership estate. The Receiver anticipates  
22 seeking authority to make a final distribution of receivership estate funds once the  
23 collection matters against the Peterson Parties are fully resolved.

24 The Receiver has been and will continue to file Receivership Entity tax  
25 returns, as necessary, in the most cost-effective and efficient manner possible.

26 Receipts and Disbursements

27 The following is a summary of the cash activity in the receivership estate from  
28 the inception of the receivership on September 3, 2019 through March 31, 2026.

1	Bank Balance at 09/03/2019 <sup>1</sup> (accounts listed in Appointment Order)	\$368,614
2	Additional Bank Account Recoveries post-takeover	\$1,447,947
3	Chicago Title Funds Received	\$11,311,344
4	Total Receipts	\$61,263,021
5	Total Disbursements	(\$22,235,243)
6	Total Distributions	(\$43,253,603) <sup>2</sup>
7	<b>Ending Bank Balance at 3/31/2026</b>	<b>\$8,902,080</b>

8 A more detailed summary of the receipts and disbursements is attached  
 9 hereto as Exhibit B. As noted above, approximately \$43 million has been  
 10 distributed to investors and creditors with allowed claims, as approved by the  
 11 Court, bringing total investor recovery up to 90.92% of MIMO net losses (with  
 12 some investors having received 100% or more of their MIMO net losses pursuant  
 13 to Chicago Title settlements).

14 Investor/Creditor Communications

15 The Receiver continues to maintain a dedicated website which is being used  
 16 to provide case information, regular updates, and answers to frequently asked  
 17 questions to investors and creditors. The website is not intended to duplicate the  
 18 Court’s electronic case filing system for this case, but it is intended to provide  
 19 investors with important information about the receivership. The Internet address  
 20 for the website is: [www.anireceivership.com](http://www.anireceivership.com). In addition, the Receiver maintains  
 21 a dedicated e-mail address ([ani@ethreadvisors.com](mailto:ani@ethreadvisors.com)) and telephone line for  
 22 investor and creditor inquiries. The Receiver has had her staff attempt to respond  
 23 to investor and creditor correspondence to acknowledge receipt of their  
 24 correspondence (via email and/or phone).

25  
 26 <sup>1</sup> While September 3, 2019 is the date of the Appointment Order, the order was  
 27 entered late in the afternoon, and the takeover occurred on September 4, 2019,  
 28 so certain bank activity occurred (including certain September rents and debt  
 service payments) on September 3rd, prior to the freeze order taking effect.  
<sup>2</sup> See the Chicago Title Settlement Distributions and Receivership Estate First  
 Interim Distribution line items in Exhibit B.

1 The Receiver has provided communications directing all investors and  
2 creditors to the receivership website for further notices, information, and updates,  
3 and notifies them of the opportunity to subscribe to receive automatic periodic e-  
4 mail updates with links to reports and other relevant documents filed with the  
5 Court. Investors and creditors are reminded of the importance of maintaining  
6 current contact information with the Receiver’s office to ensure receipt of  
7 important information relating to the claims approval process, distributions, and  
8 other important updates.

9 **D. CONCLUSION**

10 The Receiver’s efforts to monetize remaining assets and complete remaining  
11 litigation matters are ongoing. The Receiver and her professionals recommend  
12 that the receivership continue pursuant to the Appointment Order and  
13 supplemental orders issued by the Court until such time as remaining litigation  
14 matters have been resolved and a final distribution of receivership estate funds has  
15 been made.

16  
17 Dated: May 7\_, 2026

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18  
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KRISTA FREITAG

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**EXHIBIT INDEX**

<b>EXHIBIT NO.</b>	<b>DESCRIPTION</b>	<b>PAGE NO.</b>
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# **EXHIBIT A**

# **EXHIBIT A**

**Updated Asset Schedule (not including FF&E)**

All values and commentary, unless a transaction has occurred, are preliminary based on the best information available to the Receiver at this time. Nothing contained herein shall be construed as an admission of any values or balances or a waiver of any rights.

**Properties Sold:**

	Address	Asset Type or Name	Asset Status & Commentary	Net Sale Proceeds
1	4205 Lamont Street, #12, San Diego, CA 92109	Rental Condo	Closed 12/26/19 - Sale Price \$409,000. Payment to Lender \$374,752. Loan cross collateralized with Valle Vista and certain Surf Rider personal property. No net sales proceeds realized in this sale, but are realized in later transactions.	0
2	132 Keller Street, Petaluma, CA 94952	Closed Restaurant (prior to receivership appt)	Closed 12/26/19 - Sale price \$1,800,000. Payment to lender \$1,698,556. Loan cross collateralized with 140 Keller. No net sales proceeds realized in this sale, but are realized in later transactions.	0
3	805 Brighton Court, San Diego, CA 92109	Vacation Rental	Closed 01/31/2020 - sale price \$1,275,000. Payment to lender \$1,223,906 (includes \$67,760.45 of net sale proceeds). Loan cross collateralized with various other properties; excess net sale proceeds was used to pay down overall debt per sale Order.	0
4	1617 Thomas Street Pacific Beach, CA 92109	Vacation Rental	Closed 2/18/2020 - sale price \$985,000. Payment to lender \$675,542. Net sale proceeds were \$224,740.	224,740
5	83 Royal Saint Georges Way, Rancho Mirage, CA 92103	Vacation Rental	Closed 2/10/2020 - sale price \$2,999,000. Payment to lender \$1,588,561. Net sale proceeds were \$1,271,093.	1,271,093
6	SE Corner of Casanova St & Palou Ave Carmel by the Sea 93921	Vacation Rental	Closed 4/1/2020 - sale price \$1,550,000. Net payment to lender \$917,622. Net sale proceeds were \$534,153.	534,153
7	724 Zanzibar Ct., San Diego, CA 92109	Vacation Rental	Closed 5/22/2020 - sale price \$1,875,000. Net payment to lender \$1,524,704. Net sales proceeds were \$258,776.	258,776
8	3833 Mission Blvd., San Diego, CA 92109	Commercial Property Restaurant	Closed 6/4/2020 - sale price \$825,000. Net payment to lender \$610,630. Net sales proceeds were \$129,306 after the July 2020 payment of the \$60,000 UCC.	129,306
9	3735 Mission Blvd., San Diego, CA 92109	Quick Service Restaurant -- Bao Beach	Closed 6/5/2020 - sale price \$28,000. Net sales proceeds were \$19,592.	19,592
10	3768 Mission Blvd, San Diego, CA 92109	Restaurant operation	Closed 6/25/2020 - sale price \$2,300,000. Net payment to lender \$2,044,306. Net sales proceeds were \$54,393. The liquor license escrow closed on August 11, 2020 resulting in \$79,398 of additional net sale proceeds (which is not reflected in this number).	54,393
11	3814 Mission Blvd. San Diego, CA 92109	Redondo Parking Lot Next to Surf Rider Pizza - Mission Beach	Closed 6/25/2020 - sale price \$1,011,000. Lender paid off with sale of Saskas (3768 Mission Blvd). Net sales proceeds were \$965,481.	965,481
12	3445 Ingraham Street, San Diego, CA 92109	Commercial Property Restaurant	Closed 7/21/2020 - sale price \$695,000. Net payment to lender \$272,201. Net sales proceeds were \$400,618.	400,618
13	3415 Mission Blvd., San Diego, CA 92109	Retail store and 3 apartments	Closed 8/19/2020 - sale price \$1,550,000. Net payment to lender \$1,212,627. Net sales proceeds were \$273,811.	273,811
14	3548 Tennyson Street, San Diego, CA	Long term rental - Just purchased 8/20/19	Closed 8/21/2020 - sale price \$885,000. Net payment to lender \$551,269. Net sales proceeds were \$263,184. Also recovered prev. transaction for which buyer did not perform - \$8,450.	271,948
15	809 San Rafael Pl., San Diego, CA 92109	Vacation Rental	Closed 9/14/2020 - sale price \$1,630,000. Net payment to lender \$1,313,047. Net sales proceeds were \$252,962.	252,962
16	7569-7571/7565 University Avenue, La Mesa, CA 91942	ANI, Inc. planned condo Units	Property was pending foreclosure. Closed 10/30/2020 - sale price \$1,400,000. Net payment to lender \$1,047,394. Net sales proceeds were \$261,418.	261,418
17	4829 Bella Pacific #215, San Diego, CA 92109	Rental Condo	Closed 10/30/2020 - sale price \$490,000. Net payment to lender \$414,153. Net sales proceeds were \$41,161.	41,161
18	737 Windemere Ct., San Diego, CA 92109	Vacation Rental	Closed 11/02/2020 - sale price \$1,515,000. Net payment to lender \$142,729 (after \$158.45 refund). Net sales proceeds were \$1,349,216 (after \$158.45 refund).	1,349,216

19	8381 La Mesa Blvd., La Mesa CA	Commercial Property Restaurant	Closed 11/13/2020 - sale price \$2,425,000 (for all assets). Net payment to lender \$2,264,386. Net sales proceeds were \$26,366. The liquor license escrow closed on November 20, 2020 resulting in \$49,193 of additional net sale proceeds (which is not reflected in this number).		26,366
20	4030-4034 Randolph Street, San Diego, CA 92103	Rentals Apt - 5 Units; House - 4 Units	Closed 11/18/2020 - sale price \$1,650,000. Net payment to lender \$1,087,150. Net sales proceeds were \$467,303.		467,303
21	7940 University Avenue #9, La Mesa, CA 91941	Rental Condo	Closed 11/25/2020 - sale price \$351,000. Net payment to lender \$303,332. Net sales proceeds were \$25,450.		25,450
22	812 San Rafael Pl., San Diego, CA 92109	Vacation Rental	Closed 12/08/2020 - sale price \$1,622,000. No payment to lender (paid off with Windemere closing). Net sales proceeds were \$1,552,795.		1,552,795
23	4364 Valle Vista, San Diego, CA 92103	SFR - Long Term Rental	Closed 12/17/2020 - sale price \$1,150,000. Net payment to two lenders \$978,272. Net sales proceeds were \$105,898. Payoff of the second loan frees up 3770 Mission Blvd. net sales proceeds for the receivership estate.		106,736
24	750 Yarmouth Ct., San Diego, CA 92109	Vacation Rental	Closed 12/17/2020 - sale price \$1,350,000. No payment to lender (paid off with Windemere closing). Net sales proceeds \$1,292,325.		1,292,325
25	7243 Camino Degrazia, Unit 59, San Diego, CA 92111	Rental Condo	Closed 12/28/2020 - sale price \$450,000. Lender paid \$381,545. Net sales proceeds \$41,323.		41,323
26	901, 903, 904 W. Washington St., San Diego, CA	Commercial Property 1 Commercial Tenants	Closed 1/22/2021 - sale price \$1,910,000. Lender paid \$1,441,856. Net sales proceeds \$367,551.		367,551
27	3792 Mission Blvd. (Suite A), San Diego, CA 92109	Office space	Closed 1/08/2021 - sale price \$399,000. Lender paid \$15,755. Net sales proceeds \$364,014.		364,014
28	2163 Abbott Street, Ocean Beach, CA 92107	Surf Rider Pizza Cafe	Closed 2/18/21 - sale price \$85,000. A payment was made to a secured vendor for \$27,500. Net sales proceeds \$50,504 (received in Q221).		50,504
29	140 Keller Street, Petaluma, CA 94952	CoWorking Office Business	Closed 5/3/21 - sale price \$2,600,000. Lender paid \$1,121,423 and secured creditor paid \$82,587. Net sales proceeds \$1,272,380 (includes a \$271.22 lender escrow refund received after reporting net proceeds to the Court). An additional \$2,565.08 was received in a post sale true-up in July 2021.		1,274,945
30	3770 Mission Blvd., San Diego, CA 92109	Quick Service Restaurant -- Surf Rider Pizza Mission Beach	Closed 5/7/21 - sale price \$402,500. No payment to lender (paid with sale of various other transactions). Net sale proceeds \$381,618.		381,618
31	3816 Mission Blvd./733 Salem Court, San Diego, CA 92109	Mixed Use - Surf Shop Ground Floor Apartment Loft Rented	Closed 6/3/21 - sale price \$1,360,000. Net sale proceeds are \$826,924.73. Lender paid \$485,616.77. Additionally, the receiver collected \$105,000 in forfeited deposits from two prior approved buyers who failed to close.		931,925
32	1775 Diamond Street, #301, San Diego, CA 92111	Condo	Closed 11/15/2021 - sale price \$425,000. Receiver previously collected \$12,570 in deposit forfeit from the previous buyer.		410,178
<b>Total Net Sales Proceeds (Plus reduction of loans payable of \$3.188 million for Items 1-3)</b>					<b>13,601,701</b>

<b>Properties Foreclosed/Relief from Injunction Granted:</b>					
	<b>Address</b>	<b>Asset Type or Name</b>	<b>Asset Status &amp; Commentary</b>		<b>Value to be Realized</b>
1	3515 Hancock Street San Diego, CA 92110	Commercial Use - Main Office and Parking Lot	Former HQ office space. Foreclosure was completed in December 2020.		0
2	4437-4445 Lamont Street, San Diego, CA 92109	Commercial Use - Restaurant (4439 is 2-story building used as storage and office for Lamont operations)	Former Patio on Lamont Restaurant; operations closed as a result of COVID. Foreclosure was completed in November 2020.		0
3	369 10th Avenue, San Diego, CA 92101	Real Estate Condo Envelope	Former Himmelberg's restaurant/bar. Foreclosure was completed in December 2020.		0
4	301-317 D Street, Sacramento, CA 95605	Partially constructed 40 unit apartment building.	Partially developed apartment building. Construction ceased just prior to Receiver's appointment. Project secured, insured (insurance transitioning to lender force placed) and weatherized. Project encumbered by a construction loan, mechanic's liens and a stop notice, all of which must be addressed. After significant effort to effectuate a deal, Receiver has agreed to limited relief to allow the lienholders to exercise their limited rights/remedies.		0
<b>Other Investments/Loans - Recovery to Date:</b>					
1	Tourmaline Equity, LLC		\$300K Investment in real estate development in Bentonville, Arkansas.		347,040
2	Dan Champion		\$275K Loan on single family residence with estimated value of \$686,020 based on online market data only. Additional \$79,338 payment made with no value received in return. To prevent legal costs associated with fraudulent transfer claim, Receiver negotiated settlement of \$330K (93% recovery on payments); the Court approved this transaction and it funded on May 12, 2020.		330,000
3	Pullman Lofts I		Investment in membership interest which was intended to develop a 72 unit apartment complex in Santa Rosa. Invested \$758,273 per company records. Negotiated buyout of nearly \$471K. Transaction closed in third quarter.		470,888
4	JB Resources		Funds advanced pre-Receiver with no value received. Buyout of Pullman Lofts I includes assignment of the rights to collect on this transfer. Transaction closed in third quarter.		25,000
5	Endeavor Bank (CBB Venture Group)		CD, MM Recovered December 2020		234,669
6	Endeavor Bank		Gina Champion Cain's shares sold		271,963
7	Baymedica	Convertible Note	Note converted to equity after sale to a public company. Stock and cash have been recovered. Previous estimated recovery has been reduced due to continued drop in stock valuation. \$10,600 recovered to date with nominal, if any, additional funds anticipated upon sale of stock.		10,600
8	3241 Borrego Road Borrego Springs, CA 92004	La Casa Del Zorro	An interest in a desert-area hotel. The receiver accepted a purchase offer from one of the co-owners of the asset; funds received in Q325.		220,000
<b>Total Other Investments/Loans - Recovery To Date</b>					<b>1,910,160</b>
<b>Other Investments/Loans - General Information and Status:</b>					
	<b>Address/Name</b>	<b>Asset Type or Name</b>	<b>Asset Status &amp; Commentary</b>	<b>Total Invested or Loaned</b>	<b>Current Estimated Recovery</b>
1	Pullman Lofts II	Membership Interest	Investment not expected to proceed.	31,200	0
2	2 Budz Holding	Membership Interest	Purported investment through private placement offering - membership interest owned (6.3025%). The Court has accepted the Receiver's recommendation to resolve this investment as part of the claims process.	0	0
3	Wedge Water	Loan Receivable		25,000	unknown
4	M. Ferguson	Loan Receivable		48,013	unknown
5	H. Misirliogou	Loan Receivable		102,324	unknown
6	Dash Wagon	Convertible Note	Fitness accessory for car seat with minimal sales. The Court approved a settlement that was expected to recover \$265,000. That settlement has been re-negotiated to allow the Receiver to reduce their recovery in exchange for control over the sale of the asset. Estimated recovery has been reduced from previous estimates to account for potential reduced recovery.	150,000	150,000

7	Boermeester	Loan Receivable	Borrower deceased, estate closed.	60,000	0
8	Employee Loan	Loan Receivable		123,000	unknown
9	nGAP	Loan Receivable		5,000	unknown
10	BSV Group, LLC	Membership Interest	Membership interest in member LLC. Underlying product is a New Zealand based vodka distillery. Discussions with managing member indicate that the investment was dissolved with funds going towards startup.	60,000	0
11	Wonderlust Events, LLC	Membership Interest	Membership interest in member LLC - Music and Arts festival. Festival required significant investment from others after entities initial formation. After dilution of the interest, due to additional capital raises, the cash value is negligible and worth less than the recovery efforts.	50,000	0
12	Trek Partners	Investment	Oil/gas related investment, operating a minimal capacity. Recovery unlikely due to various legal challenges.	90,632	0
###	Menon Renewable Energy	Investment	Investment in renewable agricultural feed source. There doesn't appear to be any near term exit strategy for this investment. Recovery is unlikely.	105,000	0
<b>Total Estimated Recovery Remaining for Other Investments/Loans</b>				<b>150,000</b>	

**Liquor License Closed Transactions:**

	Address	Asset Type or Name	Asset Status (for sale, for lease, operating, closed, etc.)	Net Sales Proceeds
1	4020 Goldfinch St.	On-Sale General Eating Place	Sale to landlord approved by the Court on January 24, 2020. Sale closed August 2020.	142,990
2	3768 Mission Blvd.	On-Sale General Eating Place	Included with sale of real property. Sale closed August 2020.	79,398
3	345 S. Coast Highway 101	On-Sale General Eating Place	Sale to landlord approved by the Court on January 24, 2020. Sale closed June 2020; funds received in Q320.	117,145
4	Petaluma	On-Sale General Eating Place.	Included with sale of real property. Sale closed August 2020.	150,000
5	8381 La Mesa Blvd.	On-Sale General Eating Place	Included in the sale of the real property. Sale closed November 2020.	49,193
6	2163 Abbott St.	On-Sale Beer & Wine - Eating Place	Included in the sale of the leasehold interest. Sale closed February 2021	0
7	2163 Abbott St.	Caterer	Included in the sale of the leasehold interest. Sale closed February 2021	0
8	3770 Mission Blvd.	On-Sale General Eating Place	Included in the sale of the leasehold interest. Sale closed May 2021	0
9	369 10th Ave.	On-Sale General Eating Place	Sold in July 2021	52,343
10	2855 Perry Rd.	On-Sale General Eating Place	Sold in August 2021	52,500
11	4445 Lamont St.	On-Sale General Eating Place	Sold in December 2021	156,114
<b>Total Liquor License Closed Transactions Net Sales Proceeds</b>				<b>799,683</b>

<b>Other Liquor License Status:</b>				
	<b>Address</b>	<b>Asset Type or Name</b>	<b>Asset Status (for sale, for lease, operating, closed, etc.)</b>	<b>Estimated Market Value</b>
9	4535 Towne Centre Ct.	On-Sale Beer & Wine - Eating Place	To be transferred to new operator or building owner, who previously paid for same.	0
10	8910 University Center Ln.	On-Sale Beer & Wine - Eating Place	To be transferred to new operator or building owner, who previously paid for same.	0
11	400 Spectrum Center Dr.	On-Sale Beer & Wine - Eating Place	Transferred to new operator or building owner, who previously paid for same.	0
12	17877 Von Karman Ave.	On-Sale General Eating Place	Transferred to new operator or building owner, who previously paid for same.	0
11	928 Fort Stockton Dr.	Off-Sale Beer & Wine	Deemed no value.	0
<b>Total Estimated Market Value</b>				<b>0</b>

<b>Leased Locations Closed/Transitioned:</b>				
	<b>Address</b>	<b>Asset Type or Name</b>	<b>Asset Status (for sale, for lease, operating, closed, etc.)</b>	
1	2855 Perry Road Building 8, San Diego, CA 92106	Full Service Restaurant -- Firesire by the Patio	Closed - Valued FF&E with appraiser and turned over to lender.	
2	345 S Coast Hwy 101 Encinitas, CA 92024	Full Service Restaurant -- Patio 101	Closed prior to Receiver's appointment but remained in possession. Valued FF&E with appraisal. Transaction for liquor license and FF&E received Court approval on January 24, 2020.	
3	4020 Goldfinch Street, San Diego, CA 92103	Full Service Restaurant -- Patio on Goldfinch	Closed. Valued FF&E with appraisal. Transaction for liquor license and FF&E Court approval received on January 24, 2020.	
4	2670 Via De La Valle, Del Mar, CA 92014	Coffee Shop -- Swell Coffee	Closed. Turned over to Landlord. Removed FF&E.	
5	928 Fort Stockton Dr., San Diego, CA 92103	Coffee Shop and Retail -- Patio Express Mission Hills	Closed. Turned over to Landlord. Removed FF&E.	
6	3232 Mission Blvd., San Diego, CA 92109	Retail Store -- Surf Life Mission Beach	Closed. Turned over to Landlord. Removed FF&E.	
7	3731 Mission Blvd., San Diego, CA 92109	Retail Store -- Mission Beach Surf Co.	Closed. Turned over to Landlord. Removed FF&E.	
8	4535 Towne Centre St., San Diego	Patio Marketplace Restaurant	Closed. Turned over to building owner.	
9	8910 University Center Ln., San Diego	Patio Marketplace Restaurant	Closed. Turned over to building owner.	
10	400 Spectrum Center Dr., Irvine CA	Patio Marketplace Restaurant	Transitioned to replacement restaurant operator effective February 1, 2020.	
11	17877 Von Karman Ave.	Patio Marketplace Restaurant	Transitioned to building owner effective February 1, 2020.	
12	3779 Mission Blvd. San Diego, CA 92109	San Jose Parking Lot Across from Saska's Steakhouse	No offers materialized and property transitioned to landlord at the end of the lease term on 12/31/2020	

**SUMMARY OF EXHIBIT A**

Real Property	Total Net Proceeds from Sale of Real Property	13,601,701
Other Investments/Loans	Total Recovery To Date	1,910,160
Liquor Licenses	Total Liquor License Transactions Closings Net Sales Proceeds To Date	799,683
<b>Total Recovery To Date</b>		<b>16,311,544</b>
Real Property	Total Est Net Sales Proceeds for Properties Pending Sale Closings	0
<b>Total Estimated Net Sales Proceeds for Transactions Pending Completion</b>		<b>0</b>
Real Property	Total Estimated Market Value/Contract Sale Price of Unsold Real Property	0
Other Investments/Loans	Total Other Investments/Loans Unresolved (@ least 2 expected to produce recovery)	150,000
Other Liquor Licenses	Total Estimated Market Value	0
<b>Total Recovery Pending Resolution or Sale</b>		<b>150,000</b>
<b>Grand Total (SEE NOTE BELOW)</b>		<b>16,461,544</b>

**NOTE:** The numbers reflected are as noted and are being provided as a courtesy for the reader's reference purposes only. All, except one, of the real properties were encumbered with a mortgage. After taking into consideration brokerage fees, costs of sale, mortgage payoffs and fees, property taxes, potential recovery of other investments/loans, etc., the net sales proceeds from the portfolio reflected on this schedule are (at this time) approximately \$16 million. Notably, other investments/loans were highly speculative and recovery is expected to be nominal relative to the overall recovery numbers; nonetheless, at least one potential, expected recovery remains.

# **EXHIBIT B**

# **EXHIBIT B**

<b>Beginning Balance at 09/03/2019 (accounts listed in Appointment Order)</b>	<b>\$368,614</b>
Additional Bank Account Recoveries post-takeover	\$1,447,947
Line of Credit Withdrawal – 9/3 pre-Receiver	\$80,000
Chicago Title Settlement Recovery Receiver December 2022	\$23,805,295
Chicago Title Funds Received November 19, 2019	\$11,311,344
Rancho Mirage Property Recovery	\$1,271,093
Thomas Avenue Property Recovery	\$224,740
Carmel Property Recovery	\$534,153
Zanzibar Property Recovery	\$258,776
Former Swell Property Recovery [1]	\$129,306
Saska's and Parking Lot Recoveries	\$1,099,272
Bao Recovery	\$19,592
Ingraham Property Recovery	\$400,618
3415 Mission Property Recovery	\$273,811
Tennyson Property Recovery	\$271,948
7569-7571 University Property Recovery	\$261,418
Bella Pacific Property Recovery	\$41,236
809 San Rafael Property Recovery	\$252,962
Former Patio 101 Liquor License, Personal Property Recovery	\$117,145
Former Chicken Pharm Liquor License Recovery	\$150,000
Former Goldfinch Liquor License, Personal Property Recovery	\$142,990
Windemere Property Recovery	\$1,349,216
8381 La Mesa Blvd (SRLM) Property Recovery	\$75,558
University Condo #9 Property Recovery	\$25,450
Randolph Property Recovery	\$467,303
W. Washington Property Recovery	\$367,551
812 San Rafael Property Recovery	\$1,552,795
Valle Vista Property Recovery	\$106,736
Camino Degrazia Property Recovery	\$41,323
Yarmouth Property Recovery	\$1,292,325
3792 Mission Blvd Property Recovery	\$364,014
3816 Mission Blvd Property Recovery	\$931,925
Bandini Property Recovery	\$1,300,000
140 Keller Street Property Recovery	\$1,274,945
Former Mission Beach Surf Rider Recovery	\$381,618
Former Ocean Beach Surf Rider Recovery	\$50,504
Diamond Street Property Recovery (Forfeited Earnest Money plus Net Sale Proceeds)	\$410,178
Former Himmelberg's Liquor License Recovery	\$52,343
Former Fireside Liquor License Recovery	\$52,500
Former Patio on Lamont Liquor License Recovery	\$156,114
Endeavor CD Recovery	\$234,669
Endeavor Bank Share Sale Recovery	\$271,963
Legal Retainer Recovery	\$183,204
Tourmaline Investment Recovery	\$347,040

City National Bank CD Recovery	\$76,296
D. Champion Settlement Recovery	\$330,000
Pullman Lofts Earnest Money Deposit Recovery	\$495,888
Personal Property Recovery	\$377,362
Adams Settlement Recovery	\$703,201
Houts Settlement Recovery	\$290,000
Dash Wagon Settlement Recovery	\$12,000
Casa del Zorro Recovery	\$220,000
Clawback Recovery	\$9,730,655
Restaurant Receipts (includes Patio Marketplace pre-opening expense receivables collection)	\$5,305,037
Real Estate Rental Receipts	\$805,739
Keller Street Co-Work Receipts	\$404,118
Retail Receipts (includes post-closing product sales (pre-auction))	\$111,487
ANI Miscellaneous Contract Refunds/Recoveries/Receipts	\$251,963
Settlements	\$216,667
Interest Income	\$1,289,235
D Street Escrow Recovery	\$19,746
Pre-Receiver Expenses (detail in Initial Verified Report)	(\$87,930)
Tax Settlement - Pre-Receiver (paid post)	(\$13,054)
<b>Restaurant Expenses:</b>	
Payroll and Payroll Related Expense	(\$2,217,260)
Operating Expenses	(\$1,243,840)
Cost of Goods Sold	(\$1,255,981)
Management Fees	(\$336,666)
BOE – Sales Tax	(\$341,169)
Rent Expense	(\$191,016)
Merchant and Bank Fees	(\$37,185)
<b>Real Property Related Expenses:</b>	
Debt Service	(\$1,678,780)
Property Tax Expense	(\$419,956)
Operating Expenses	(\$316,044)
<b>Keller Street Co-Work Expenses:</b>	
Payroll and Payroll Related Expense	(\$127,597)
Operating Expense	(\$162,549)
<b>Retail Expenses:</b>	
Payroll and Payroll Related Expense	(\$18,087)
Operating Expense	(\$20,837)
Cost of Goods Sold	(\$1,463)
General & Administrative Expense	(\$2,175)
<b>Corporate Expenses:</b>	
Payroll and Payroll Related Expense (includes real property related operations)	(\$1,983,808)
Payroll - PTO	(\$217,426)
Insurance (includes real property and operations coverages)	(\$378,526)
General & Administrative Expenses	(\$1,039,763)
IT Expense	(\$574,192)

Rent Expense	(\$104,567)
Operating Expenses	(\$90,443)
Franchise Tax Board Expenses (approximately 40 entities)	(\$165,336)
<b>Holders of Allowed Claim Distributions:</b>	
Chicago Title Settlement Distributions [2]	(\$22,253,874)
Receivership Estate First Interim Distribution [3]	(\$20,999,730)
Suntrust Expense	(\$57,405)
Grant Deed Court-Approved Settlement Payment	(\$100,000)
Vacation Rental Court-Approved Settlement Payment	(\$150,000)
Receiver Fees & Expenses [4]	(\$3,137,328)
Receiver Legal Fees & Expenses [5]	(\$5,764,859)
<b>Ending Book Balance at 03/31/2026</b>	<b>\$8,902,079</b>

[1] In July 2020, a UCC payment was made in the amount of \$60,000, which ultimately offsets this recovery.

[2] Represents \$21,753,873.64 of funds allocated to pay 100% of certain investors' MIMO net loss claims under the Court approved Global Settlement with CTC, plus \$500,000 of funds allocated for payment under the Court-approved settlement with CalPrivate.

[3] Represents the receivership estate's \$21,000,000 First Interim Distribution less one check in the amount of \$270.39 which was not negotiated by a creditor.

[4] Includes credit for Rancho Mirage Property buyer's request for supplemental Court approval (\$4,990) as well as a credit for forensic computer imaging (\$22,260). Total reflects interim fee applications approved through 6/30/2025.

[5] Includes credit for Rancho Mirage Property buyer's request for supplemental Court approval (\$4,990) as well as the \$31,042.99 recovered from Kim Peterson per the Court's sanctions order re: same. Total reflects interim fee applications approved through 6/30/2025.