

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

Case No.: 24-80980-CV-MIDDLEBROOKS

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

vs.

WELLS REAL ESTATE INVESTMENT, LLC,
JANALIE C. JOSEPH
A/K/A JANALIE C. BINGHAM, and
JEAN JOSEPH,

Defendants.

CAMBRIDGE REAL ESTATE MANAGEMENT, LLC,
60 YACHT CLUB, LLC, 112 SOUTH OLIVE, LLC,
791 PARKSIDE HOME, LLC, 910 PARKSIDE, LLC,
930 PARKSIDE, LLC,
976 PALM BEACH SQUARE, LLC,
1070 BOCA RATON SQUARE, LLC,
2082 PARADISE PALM, LLC,
2295 CORPORATE BLVD LLC, 4050 NW, LLC,
4100 HOSPITAL OFFICE, LLC, 4800 FEDERAL, LLC,
7352 VALENCIA, LLC, 7483 VALENCIA, LLC,
BOCA DEERFIELD PROPERTIES, LLC,
DAYBREAK HOME, LLC,
GLOBE OFFICES, LLC, GLOBE PROPERTY OFFICES, LLC,
LW SQUARE OFFICE, LLC,
MARTINIQUEÂ INVESTMENTS LLC
a/k/a MARTINIQUE'S INVESTMENTS LLC,
OAKLAND LAND PROPERTY, LLC, and
SOUTH OLIVE OFFICE, LLC,

Relief Defendants.

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RECEIVER'S FOURTH INTERIM STATUS REPORT

Andres Rivero, as receiver (the "Receiver") for Wells Real Estate Investment, LLC, and relief defendants Cambridge Real Estate Management, LLC, 60 Yacht Club, LLC, 112 South

Olive, LLC, 791 Parkside Home, LLC, 910 Parkside, LLC, 930 Parkside, LLC, 976 Palm Beach Square, LLC, 1070 Boca Raton Square, LLC, 2082 Paradise Palm, LLC, 2295 Corporate Blvd. LLC, 4050 NW LLC, 4100 Hospital Office, LLC, 4800 Federal, LLC, 7352 Valencia, LLC, 7483 Valencia, LLC, Boca Deerfield Properties, LLC, Daybreak Home, LLC, Globe Offices, LLC, Globe Property Offices, LLC, LW Square Office, LLC, Martinique Investments, LLC a/k/a Martinique's Investments LLC, Oakland Land Property, LLC, and South Olive Office, LLC, (collectively, the "Receivership Defendants") files his Fourth Interim Status Report setting forth his activities and efforts to fulfill his duties pursuant to the Order under which he was appointed for the period from April 1, 2025 through June 30, 2025 (the "Reporting Period").

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I. BACKGROUND

The Receiver filed his First Interim Report [ECF No. 74] on October 30, 2024. The First Interim Report provides background information on the events that led to the appointment of the Receiver and a detailed description of the Receivership Defendants.¹ For brevity, the Receiver will not repeat all the information contained in the First Interim Report but refers all interested parties to the First Interim Report for additional background information.

On August 14, 2024, the Court entered an Order granting the SEC's Emergency *Ex Parte* Motion and Memorandum of Law for Asset Freeze and Other Relief [ECF No. 12] ("Asset Freeze Order") and an Order granting the SEC's Emergency *Ex Parte* Motion and Memorandum of Law for Appointment of Receiver [ECF No. 11] ("Receivership Order"). Among other things, the Receivership Order appointed Andres Rivero as Receiver over the Receivership Defendants and the Asset Freeze Order placed a temporary injunction against all bank and brokerage accounts owned by the Receivership Defendants. Additionally, on September 17, 2024, the Court entered an Order Granting Preliminary Injunction [ECF No. 65] ("Preliminary Injunction"), expanding the temporary injunction previously entered in the Asset Freeze Order.

II. ACTIONS TAKEN BY THE RECEIVER DURING THE REPORTING PERIOD

A. Employment of Professionals

The Receiver continues to work with his counsel Rivero Mestre, his forensic accountants EisnerAmper, his real estate counsel Day Pitney, and his residential real estate broker, the Keyes Company.

¹ All terms will have the same meaning as defined in the First Interim Report.

During the Reporting Period, the Receiver has continued to use the services of these professionals. The professionals have been instrumental to the Receiver's success in this case thus far, helping him with marshalling and securing the various Receivership Defendants' assets; identifying and recovering additional assets for the benefit of the Estate; assisting with Tax related matters; and assisting the Receiver with reviewing, and negotiating potential sale terms for several of the Receivership properties, which are discussed in more detail below.

During the Reporting Period, the Receiver also engaged the services of Fausto Commercial Realty ("Fausto") and Florida Commercial Realty ("Florida Commercial"). Fausto and Florida Commercial are real estate brokerage firms with experience in marketing and selling commercial real estate in South Florida. The Receiver engaged Fausto and Florida Commercial to assist the Receiver with marketing and listing for sale the Commercial Properties within the Receivership Estate. *See* Order Granting Receiver's Motion to Employ Real Estate Broker at ECF Nos. 101 and 105.

B. Preserving Receivership Real Properties

i. Management of Properties

As stated in the Receiver's prior Status Reports, the primary assets in the Receivership Estate are real properties located across south Florida. The Receiver, with the assistance of his professionals, has continued to oversee the management of the Receivership properties during the Reporting Period. The properties within the Receivership Estate are categorized as: (1) the commercial properties (the 4100 Hospital Office Property, the LW Square Property, the 4800 Federal Property, the 4050 NW Property, and the Oakland Land Property) and; (2) the residential properties (the 930 Parkside Property, the 60 Yacht Club Property, the 976 Palm Beach Property, the 910 Parkside Property, the 1070 Boca Property, and the Boca Square One Property). Tasks

related to the management of the properties include maintenance of landscaping, scheduled cleaning of premises, timely paying of utility bills, and collecting rent payments.

ii. The Commercial Properties

The Receiver assumed control of commercial properties owned by Receivership Defendants 4100 Hospital, LW Square, 4800 Federal, 4050 NW, and Oakland Land Property. Of the commercial properties, only those owned by 4100 Hospital, LW Square, and Oakland Land Property are occupied with tenants.

The Receiver has spent a substantial amount of time managing the commercial properties—primarily the 4100 Hospital and LW Square properties. The Receiver has continued to make timely payments for all electric, water, and waste management bills associated with the commercial properties.

The Receiver continues to collect and keep track of each tenant's monthly rent and has engaged a bookkeeper to assist with updating the rent rolls for each of the commercial properties with tenants. According to the Receiver's review and analysis, the rent payments for the 4100 Hospital property generate approximately \$20,559.91 in monthly income to the Receivership Estate, the LW Square property generates approximately \$19,939.43 in monthly income to the Receivership Estate, and the Oakland Land Property generates approximately \$5,803.02 in monthly income. The remaining commercial properties are vacant.

Due to the indebtedness of the Receivership Estate, primarily to mortgage lenders, condominium associations, and expenses related to rectifying issues due to prior neglect and mismanagement of the commercial properties, these rent incomes do not result in sufficient cash flow for the Receivership Estate.

The Receiver has been actively developing a plan for the disposition of the commercial properties to maximize profitability for the Receivership. All foreclosure actions against the properties discussed in prior reports remained stayed during this Reporting Period.

During the Reporting Period, the Receiver engaged Fausto Commercial, a real estate brokerage firm with experience in marketing and selling commercial properties in the South Florida area, to list and sell the 4100 Hospital, LW Square, Oakland Land, and 4050 NW Properties. The Receiver also engaged commercial real estate firm Florida Commercial to list and sell the 4800 Federal property.

The maintenance related work the Receiver has done to maintain the commercial properties during the Reporting Period is detailed further below.

a. The 4100 Hospital Property

During the Reporting Period the Receiver has continued to oversee the maintenance of the 4100 Hospital Property primarily by ensuring that: a landscaper visits the 4100 Hospital property on a bi-weekly basis to ensure that the grass, trees, and shrubbery are maintained to avoid the reissuance of city code violations pertaining to landscaping; a janitorial servicing company visits the property twice a week to take care of cleaning the common areas in the property as well as litter and trash that collects on the sidewalks and parking areas; paying electric and utility bills; and paying waste management fees to Broward county to ensure the dumpster is cleared on a regular basis.

As reported in prior status reports, the Receiver has had to manage various repairs and maintenance issues at the 4100 Hospital property. Such efforts included plumbing repairs within individual units, leaking within units, replacement of emergency lighting, and air conditioning repairs in certain units to prevent leaks. The Receiver has also had to have the HVAC Chiller

system serviced during the Reporting Period because several units throughout the building reported issues with air conditioning not working. Because the Receiver rents the HVAC Chiller unit from a vendor, this service came at no cost.

The Receiver continued with his efforts to negotiate a settlement with the lender for the 4100 Hospital Property, however, these negotiations seemed to have stalled. During the Reporting Period the Receiver's commercial broker Fausto listed the 4100 Hospital property for \$8,900,000.00. Fausto also followed up with the City of Plantation, which as reported in the third status report, expressed interest in purchasing the 4100 Hospital Property as part of a larger development plan. Unfortunately, the city's purchase of the 4100 Hospital Property was contingent on obtaining certain zoning and permits that could not be guaranteed. Accordingly, the city has not presented a formal offer to purchase the property to the Receiver.

Despite being listed for several months, there has been no interest in 4100 Hospital property from a private buyer worth considering. The only potential offers have been in the \$4 million range—significantly below the listing price. Moreover, because there is approximately \$8,588,350.71 owed to the lender, accepting such a low offer would not satisfy the amounts owed to the lender.

It is unlikely that the property will sell at a profitable price, the property is being maintained at a loss to the Receivership Estate, and settlement with the lender seems unlikely. Accordingly, the Receiver is considering alternative avenues for the disposition of the 4100 Hospital Property.

b. The LW Square Property

During the Reporting Period the Receiver continued to collect rents from the two tenants at the property and remained responsible for the property's ongoing maintenance and operational

expenses. This included overseeing landscaping services, coordinating janitorial cleaning of common areas, and ensuring timely payment of utility bills such as electricity (FPL), water, waste management, and rental of the AC cooling tower. Additionally, the Receiver continues to make monthly payments to Lane Elevator, the property's elevator service provider, to ensure proper maintenance of the elevators.

During this Reporting Period, there were some issues regarding the air conditioning/thermostat system in the property reported in the third status report persisted. For example, there were several issues with the thermostat controlling the AC units on both the first and second floor, which resulted in the air only working during certain hours. The Receiver was able to resolve this issue, and as of the date that this Report is being filed, there have been no issues with the thermostat.

In addition to issues related to the air conditioning system, the Receiver had to resolve issues related to the LW Square property's plumbing system. For example, the Receiver had to obtain the services of a plumber to run a diagnostic on the underground piping system that controls the backflow. The diagnostic uncovered that the backflow system was leaking, which was causing overflow in the bathrooms located in the Property. The Receiver quickly and successfully resolved the issue and to date no similar issue has reoccurred.

During the Reporting Period, the Receiver has also been addressing code violations on the property that predate the Receiver's appointment. The violations included safety hazards caused by fallen tree branches, improper disposal of waste, and safety hazards caused by potholes located in the parking area. Additionally, some violations were related to beautification of the property, such as fixing cracks on the walls, having the property deep cleaned, and repainting certain areas of the property.

The Receiver had his landscaper trim the trees cited in the violation and dispose of any branches and other debris that were a potential safety hazard. A large pile of trashbags, furniture, and other junk was being placed inside a wire fence secured by a pad lock located in the side of the building. The Receiver had a locksmith remove the pad lock and enlisted his janitorial company to clear out the trash that has accumulated. The project is ongoing. Once resolved, the Receiver will develop a plan to prevent reoccurrence of a similar issue.

Given the longstanding status of the violations on the property, the city of Lauderdale Lakes scheduled a code violation hearing on July 16, 2025. The Receiver's counsel will attend the hearing.

The Receiver continued with his efforts to negotiate a settlement with the lender for the LW Square Property, however, these negotiations seemed to have stalled. During the Reporting Period the Receiver's commercial broker Fausto listed the LW Square property for \$10,000,000.00.

Despite being listed for several months, there has been no interest in the LW Square Property. Moreover, there is approximately \$9,528,790.39 owed to the lender. It is unlikely that the property will sell at a profitable price, the property is being maintained at a loss to the Receivership Estate, and settlement with the lender seems unlikely. Accordingly, the Receiver is considering alternative avenues for the disposition of the LW Square Property.

c. The 4800 Federal Property

During the Reporting Period the Receiver employed Florida Commercial to list and market the 4800 Federal Property [ECF No. 105]. Since being employed, Florida Commercial has shown the property to several interested buyers. Florida Commercial received and submitted to the Receiver an offer to purchase the property in the two-hundred thousand dollar range.

However, the outstanding amount owed to the lender is larger than the offer amount.

Additionally, there is approximately \$56,598.26 owed to the building association. Accordingly, the Receiver has been in communication with both the lender and the building association in hopes of negotiating down the amount owed to both so he can determine whether to accept the pending offer.

d. The 4050 NW Property

The 4050 NW property is a standalone two-story commercial building located in Plantation, Florida. The 4050 NW property is being listed by Fausto for \$1,950,000.00. There has been no significant change in the status of the 4050 NW property since the previously filed status reports.

e. The Oakland Land Property

During the Reporting Period, the Receiver continued to collect rent from the tenant on the property, which generated approximately \$5,803.00 monthly income for the Receivership Estate.

Additionally, the lender on the property agreed to accept \$1,561,001.67 to settle its claims against the Oakland Land at the time that a sale and closing of the property is finalized.

During the Reporting Period, Fausto obtained and submitted an offer to the Receiver from a potential buyer to purchase the property for \$2.2 million. The Receiver and his counsel at Rivero Mestre and Day Pitney worked on reviewing and revising the terms of the proposed purchase contract and ran a title and violation search on the property in anticipation of finalizing the sale. Unfortunately, the potential buyer pulled out of the sale.

Fausto subsequently received an offer to purchase the property at a similar price point that the Receiver is currently considering.

iii. The Residential Properties

The Receiver also assumed control over residential properties located throughout Boca Raton, West Palm Beach, and Broward County, Florida. Like the commercial properties, some residential properties had tenants while others were vacant. During the Reporting Period, the Receiver continued to collect rents from tenants, ensuring that all rent monies are deposited into the Receivership Estate. The pending foreclosure actions initiated by mortgage lenders and Homeowners Associations (“HOAs”) discussed in prior status reports remain stayed. The Receiver and his counsel continue to engage in discussions with the lenders and HOA creditors for the residential properties.

The Receiver is exploring options for the disposition of the residential properties. During the third reporting period the Receiver engaged Keyes and executed exclusive listing agreements with Keyes to sell the residential properties. During the third reporting period, the 930 Parkside, Boca Square One, 60 Yacht Club, and 1070 Boca properties were put on the market. During this reporting period the 910 Parkside and 976 Palm Beach Square properties were also listed on the market.

a. The 930 Parkside Property

The 930 Parkside property is a residential home located in Boca Raton, Florida. The 930 Parkside property is currently vacant and does not generate income for the Receivership Estate. During the Reporting Period, the Receiver continued to pay the monthly electric and water utility bills as they became due. The Receiver has also retained a landscaper who services the property on a bi-weekly basis, and a pool cleaning company to maintain the pool.

During the Reporting Period, the 930 Parkside property remained listed for sale, with multiple showings conducted. The Receiver received a formal purchase offer, which prompted

several rounds of negotiations. Given the time the property has been on the market, its lack of income generation, and the ongoing expenses to maintain it, the Receiver determined that a sale at a reduced price could be in the best interest of the estate. Because the proposed sale price would not fully satisfy the lender's payoff amount, the Receiver contacted the lender to discuss potential reductions in certain charges, but no agreement has yet been reached.

The prospective buyer also requested a pre-purchase inspection, which revealed certain issues with the property. Following the inspection, the buyer sought a price reduction, and negotiations continued. The Receiver is evaluating the revised offer in light of the inspection results, the property's carrying costs, and the lender's position before determining the next steps.

b. The 60 Yacht Club Property

During the Reporting Period, the Receiver continued collecting rent from the tenant in the 60 Yacht Club property. As reported in the last status report, Keyes is listing the property. During this period, the Receiver received an offer to purchase the property, engaged in negotiations, and ultimately agreed to a sale price of \$440,750.00, all cash, with the buyer waiving the buyer's agent compensation. Day Pitney reviewed the offer terms and recommended acceptance.

To move the contemplated sale along, the Receiver and his counsel at Rivero Mestre initiated negotiations to settle with the mortgage lender and the condominium association. The Receiver reached out to both the lender and the condominium association and proposed that both accept a fixed amount to settle their separate claims to be paid out at closing of the property's sale. These negotiations are ongoing.

c. The 976 Palm Beach Property

As reported in the last status report, the Receiver initiated eviction proceedings against the tenant on the 976 Palm Beach property. The tenant has since vacated the property, and the Receiver proceeded with changing the locks and taking further measures to secure the property. Since taking over, the Receiver has been paying the monthly electric bills as the bills become due.

The Receiver initially anticipated to list the 976 Palm Beach property. Keyes recommended a listing price of \$500,000.00 based on market comparables. Because the listing price was relatively low, there was a potential that the property would sell under listing, and the pending outstanding debt of approximately \$431,915.17 owed to the lender on the property, the Receiver ultimately determined listing the property for sale on the market would not yield a sufficient benefit to the Receivership Estate.

The Receiver has instead pursued an alternative avenue for disposition of the 976 Palm Beach property, which involves negotiating terms with the lender to convey title to the property to the lender in exchange for a fixed amount. During the Reporting Period, the Receiver, along with his counsel at Rivero Mestre and Day Pitney, have negotiated the terms of the proposed settlement with the lender. As of the date of filing this Report, the proposed settlement is finalized and includes terms favorable to the Receivership Estate including guaranteed income to the Receivership from the transaction.

The Receiver plans to seek the Court's approval of the settlement agreement and authority to execute and finalize the conveyance of title to the property to the lender.

d. The 910 Parkside Property

During the Reporting Period, the Receiver continued to collect rent from the tenants at the 910 Parkside property, and the tenants remained responsible for maintenance of the property pursuant to the second addendum to the lease executed during the second reporting period.

As reported in the last status report, the Receiver executed a listing agreement with Keyes for the 910 Parkside property; however, the property was not listed because of difficulties coordinating with the tenants. During this Reporting Period, Keyes was able to arrange for photos to be taken, and the 910 Parkside property was listed on the market.

Additionally, during the Reporting Period, the tenants on the property expressed interest in executing an early lease termination agreement with the Receiver. The tenants' lease terminates on September 27, 2025, and the tenants requested an early termination date of July 1, 2025. The Receiver's counsel at Day Pitney and Rivero Mestre worked on drafting the lease termination agreement. The lease termination was executed on May 29, 2025.

e. The 1070 Boca Property

The 1070 Boca property is a beachfront residential apartment located in Riviera Beach, Florida. The 1070 Boca property is vacant and does not generate any rental income. Like the other Receivership properties, the lender has filed a foreclosure action against 1070 Boca property, which the Receiver has stayed. The Receiver continues to pay the monthly utility bills as the bills become due.

During the Reporting Period, Keyes continued to list the 1070 Boca property. Keyes has hosted several showings of the 1070 Boca property, however, it has been difficult to generate offers because of high condominium association assessments, and construction that has caused an obstruction of the view from the property. In an effort to potentially generate more interest in

the property, the Receiver agreed to decrease the listing price from \$1,400,000.00 to \$1,100,000.00. No offers to purchase the property have been submitted.

f. The Boca Square One Property

During the last reporting period, Keyes listed the Boca Square One property for sale. The listing generated an offer to purchase the property, and at the time that the Receiver files this Report the Receiver has sold the Boca Square One property. During the Reporting Period, the Receiver along with his counsel at Rivero Mestre and Day Pitney worked on preparing for and finalizing the sale by taking actions such as: negotiating the terms of the sale transaction with the buyer; negotiating settlement terms with the lender; drafting and revising the purchase and sale agreement and all addendums to the purchase and sale agreement; and executing all documents that were required to close on the sale of the property.

The full scope of the sale terms, and the Receiver's efforts to negotiate favorable terms with the property's lender are set out in further detail in the Receiver's Motion and Incorporated Memorandum of Law for Authority to Sell Real Property, to Approve Sale, and Approve Settlement with Lender (the "Sale Motion") [ECF No. 114]. The Receiver filed the Sale Motion on June 25, 2025, and the Court entered its Order granting the Sale Motion on June 26, 2025 [ECF No. 115]².

² The final closing on the Boca Square One property sale took place outside of the Reporting Period on July 8, 2025.

III. FINANCIAL AFFAIRS³

Defendants purportedly raised at least \$56 million dollars in investor funds. *See* the Complaint at ¶1. Defendants, personally and through a web of sales agents, told investors that these funds were going to be used to invest in income generating real estate development projects. However, of the \$56 million dollars, approximately \$11 million dollars were traced to the actual purchase of real estate. *See id.* at ¶3. According to the Complaint, and based on the Receiver's investigations, the remaining funds were likely diverted by Bingham and Joseph to engage in speculative trading and to purchase luxury items. *See id.* at ¶72.

A. Financial Accounts

The Receivership Entities' financial accounts – including several bank and brokerage accounts—were frozen in accordance with the Receivership Order. The Receiver took control of the Receivership Defendants' existing financial accounts and opened a depository account for the Receivership during the First Reporting Period. All financial accounts have been closed and liquidated. There has been no change in the status of the Receivership Defendants' financial accounts since the First Reporting period.

B. The Receivership Defendants' Business Operations

As described in the prior Status Reports, the business operations of the Receivership include maintaining the Receivership Entities' properties that were purchased in furtherance of Bingham and Joseph's fraudulent real estate investment scheme. The purchases of these

³ The Receiver has opened a Wells Receivership depository account with City National Bank. All funds deposited into the Receivership Estate, primarily through rental incomes and profits from the sale of Receivership Property, are being deposited into the Wells Receivership depository account. Accordingly, the financial accounts described in Section III(A) *infra* are not being utilized and there has not been a change in the status of these accounts from the First Reporting period.

properties were financed through subprime mortgages from hard money lenders that are all in default, leaving the Receivership Estate owing over \$20 million in mortgages.

Prior to the Receivership, these properties were managed through the Receivership Defendant entities. The properties failed to generate significant income to keep up with mortgage payments and monthly bills. Since taking control of the properties, the Receiver has worked on maintaining the properties by ensuring that utility bills are timely paid, paying vendors such as waste management and a janitorial company to keep the properties clean, and hired a landscaper to service the properties on a bi-weekly basis. Additionally, the Receiver continues to collect rent payments from those properties that are occupied with tenants and assisting tenants with issues related to HVAC/AC issues, plumbing issues, and other related issues as they arise.

The Receiver will continue to maintain the Receivership Entities' properties and business operations while the Receiver determines the best way to dispose of the Receivership properties.

IV. LITIGATION

A. Ongoing Legal Proceedings Involving the Receivership Defendants

As described in the prior Status Reports, the Receiver has cancelled pending foreclosure sales of Receivership Properties and has successfully stayed all pending foreclosure and civil actions against the Receivership Entities. Moreover, no new foreclosure actions were filed during the Reporting Period.

As discussed above, during the last reporting period, the Receiver initiated eviction proceedings against the tenant residing in the 976 Palm Beach Square Property. As a result, during this Reporting Period, the tenant vacated the property, and the Receiver was able to take possession of and secure the property.

Additionally, on April 17, 2025, a claim was filed against Receivership Entity LW Square seeking to recover damages against LW Square for a slip and fall incident that allegedly occurred on or about July 19, 2023. *See Esthel Garcia vs. LW Square Office, LLC*, case no. CACE-25-005617. The Receiver filed a motion to stay the proceedings on May 28, 2025, and is pending a ruling on the motion to stay the proceedings.

B. The Estate's Potential Claims against Third Parties

During this Reporting Period, the Receiver and his professionals continued their investigation into individuals and entities potentially involved in or benefitting from the Wells' investment scheme. The Receiver engaged EisnerAmper to prepare schedules identifying potential targets for fraudulent transfer claims, based on payments made by any of the Receivership Defendants. The Receiver's team has begun drafting demand letters to these parties and is in the process of engaging counsel to assist in pursuing third party fraudulent transfer claims.

The Receiver has continued efforts to obtain communications and documentation that may reveal individuals or entities who received funds or were complicit in executing Bingham's scheme. As part of these efforts, the Receiver served third parties such as bill.com, google, and quickbooks with subpoenas.

In anticipation of bringing claims against third parties implicated in Bingham and Joseph's scheme, during the Reporting Period, the Receiver filed a Motion to Reappoint Receiver [ECF No. 97], which the Court granted on May 2, 2025 [ECF No. 98]. Within ten days of the order being entered, the Receiver filed miscellaneous actions in all jurisdictions where certain potential fraudulent transfer targets are located.

The Receiver will continue to gather evidence of additional transfers for the purposes of developing and bringing claims to recover fraudulent and other voidable transfers. The Receiver will pursue those claims he believes are meritorious and likely to result in a significant recovery to the Receivership Estate.

V. ADMINISTRATION OF RECEIVERSHIP ESTATE

A. Cash on Hand and Administrative Expenses

The Receiver presently holds a total of \$644,527.23 in cash on hand in two fiduciary accounts at City National Bank in Miami, Florida, as follows:

Receivership Account: \$642,106.84

Money Market Account: \$2,420.39

During the Reporting Period, the Receiver has made disbursements totaling \$231,862.38 from the Receivership Account for necessary expenses to preserve and administer the Receivership Estate. Such expenses include electric, water, trash, and sewer bill payments, and other expenses related to the operation of the real properties. Attached here as **Exhibit A** is a detailed statement of the Receivership Estate's Receipts and Disbursements during this Reporting Period.

B. Claims

The Receiver foresees developing a claims process to address and verify the various claims of creditors including mortgage lenders and HOA's with purported claims against the Receivership Estate. Individual investors may also have claims for monetary damages because of the total or partial loss of their investments as well as other damages incurred because of a loss of their investments. The Receiver anticipates initiating a claims process that will be submitted to the Court for approval when finalized.

C. Communications

The Receiver continues to communicate with creditors, investors, and interested parties. The Receiver continues to respond to inquiries from creditors, investors, and other interested parties usually through e-mail and telephone calls. The Receiver continues to maintain an email address for general inquiries: wellsreceiver@riveromestre.com, and a website: <https://wellsrealestateinvestmentreceivership.com/>, to provide up to date information for investors and other interested parties.

The Receiver has used the website to post copies of court filings, correspondence with investors, and other pertinent information. The Receiver has also prepared and posted numerous updates on his website, including letters to investors. The Receiver will continue to utilize the website, e-mail, and telephone, as the primary method of communicating with investors, creditors and other interested parties throughout the course of the Receivership

The Receiver's communications with investors during the Reporting Period were concerned with recovering investor amounts owed under their promissory notes executed by Wells as part of the real estate investment scheme described in the SEC's complaint. The Receiver continues to advise investors that such issues will be handled when the Receiver commences the claims administration process. The Receiver continues to track newly identified investors and to review documents obtained from investors.

The Receiver has also continued to be in communication with known creditors, primarily mortgage lenders, HOAs, and Condominium Associations. The Receiver's communications with creditors and lender are primarily through phone or e-mail. These communications generally concern negotiating potential settlements of creditor and lender claims against the Receivership Estate.

D. Recommendations

The Receiver continues to secure and maintain the assets of the Receivership Entities, analyze the misuse of investor funds, and respond to inquiries from the investors, creditors and other interested parties. The Receiver anticipates taking the following actions: (i) continuing to operate and maintain the Receivership properties until the best course of disposition for each property is determined so that harmed investors obtain the highest possible recovery; (ii) providing investors with updates through the Receivership website; (iii) negotiating and settling creditor claims against the Receivership Estate; (iv) responding to inquiries from investors, creditors, and interested parties; and (v) pursuing recoveries on behalf of the victim investors.

Dated: August 14, 2025

Respectfully submitted,

RIVERO MESTRE LLP

Receiver for the Receivership Defendants

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Andres Rivero

Fla. Bar. No. 613819

CERTIFICATE OF SERVICE

I certify that on August 14, 2025, I electronically filed this document with the Clerk of the Court using CM/ECF. I also certify that this document is being electronically served today on all counsel of record through CM/ECF.

By: /s/ Andres Rivero

Andres Rivero