

# Receiver's Eighth Status Report

(February 4, 2026)

*In re Pride of Austin High Yield Fund I, LLC*, Cause Number D-1-GN-24-001018,  
pending in the 201st Judicial District, Travis County, Texas

# Overview of Status Report

- ❑ Distributions and tax matters: Distribution Plan effectuated; corrective tax filings completed and investor K-1's distributed
- ❑ REO assets and monetization: Status of disposition of remaining real estate assets
- ❑ Recovery litigation: Net winner and insider litigation updates
- ❑ Forward-looking distributions: Improved liquidity may support the potential for a second interim distribution

# Approval of Distribution Plan and Payment of Distributions

- ❑ Court approved the *Receiver's Amended Motion to Approve Distribution Plan* on July 28, 2025.
- ❑ Class 1 (Creditor Claims) and Class 2 (Settling Judgment Holders) paid in full.
  - Payments to Class 1: \$310,186
  - Payments to Class 2: \$1,059,153
- ❑ Class 3 distributions equalized investor recoveries at 51.64%.
  - Payments to Class 3: \$5,914,011

CAUSE NO. D-1-GN-24-001018

|  |   |                         |
|--|---|-------------------------|
| Sajid Maqsood, Trustee of the Sajid & Joan M. Maqsood Revocable Trust, et al., | § | IN THE DISTRICT COURT   |
|  | § |                         |
| Plaintiffs,  | § |                         |
|  | § |                         |
| v.   | § | TRAVIS COUNTY, TEXAS    |
|  | § |                         |
| Pride of Austin High Yield Fund I, LLC, et al.,                                | § |                         |
|  | § |                         |
| Defendants.  | § | 201st JUDICIAL DISTRICT |

**ORDER GRANTING RECEIVER'S  
AMENDED MOTION TO APPROVE DISTRIBUTION PLAN**

On this day, the Court considered the Receiver's Amended Motion to Approve Distribution Plan (the "*Motion*")<sup>1</sup>.

The Court, having considered the Motion and the information submitted in support, responses or objections, if any, the arguments of counsel, and the pleadings on file finds that the Motion should be, and hereby is, GRANTED

IT IS THEREFORE ORDERED that:

1. The Motion is GRANTED in its entirety.
2. The Court finds the distribution plan set forth in the Motion (the "*Plan*") is fair and reasonable, and is approved, including without limitation:
  - a. The classification of claims as described in Section II(F) (Classes of Claims)

# Tax Issues

- ❑ The Fund did not file federal income tax returns for any tax year prior to 2017.
  - Investors were provided with inaccurate and incomplete K-1s that did not correspond to any filed returns and were prepared without supporting accounting records.
  
- ❑ Receiver, with the help of his accounting professionals, filed accurate tax returns for 2020-2024 in accordance with IRS directives.
  
- ❑ Amended Schedule K-1s for those years were prepared and distributed to all known investors, superseding any prior versions.

# Fulshear Property

- ❑ REO property owned by the Fund at the time of the Receiver's appointment.
  - Two commercial office buildings in Fulshear, Texas.
  
- ❑ Receiver closed the sale of the Fulshear Property in September of 2025.
  - Sales Price: \$1,300,000.00
  - Net Proceeds: \$1,157,747.86

**Property:** .7041 acres, Block 1, Fulshear Professional Park, Restricted Reserve part "A", Fort Bend County, TX  
 8043 FM 359 Rd  
 Fulshear, TX 77441

.704 acres, Block 1, Tract 1, Fulshear Professional Park, Restricted Reserve part "A", Fort Bend County, TX  
 8045 FM 359 Rd  
 Fulshear, TX 77441

|                                     |                       |
|-------------------------------------|-----------------------|
| Sales Price                         | \$1,300,000.00        |
| Reimbursements/Credits              |                       |
| <b>Total Reimbursements/Credits</b> | <b>\$0.00</b>         |
| <b>Gross Amount Due to Seller</b>   | <b>\$1,300,000.00</b> |

|  |  |
|--|--|
| <b>Less: Charges and Deductions</b>                          |  |
| Title Insurance to Heritage Title Company                    | \$6,874.00                             |
| OP Single Issue to Heritage Title Company                    | \$6,874.00                             |
| \$250 of Title Premium to First American Title Insurance Co. |  |
| Escrow Fee to Heritage Title Company                         | \$500.00                               |
| Policy Guaranty Fee to Heritage Policy Guaranty Fee Acct     | \$2.00                                 |
| Courier Fees to Heritage Title Company                       | \$19.00                                |
| Recording Fees (Estimated) to Heritage Recording Acct        | \$150.00                               |
| Tax Certificates to Data Trace                               | \$70.05                                |
| Commission (2%) to BE Commercial Brokerage, LLC              | \$26,000.00                            |
| Commission (3%) to Central Management, Inc                   | \$39,000.00                            |
| 2025 Ad Valorem Taxes  | From 1/1/2025 to 9/16/2025 \$44,112.37 |
| Rent Proration   | From 9/16/2025 to 9/30/2025 \$8,216.21 |
| Security Deposits  | \$17,308.51                            |
| <b>Total Charges and Deductions</b>                          | <b>\$142,252.14</b>                    |
| <b>Net Amount Due to Seller</b>                              | <b>\$1,157,747.86</b>                  |

Seller understands the Closing or Escrow Agent has assembled this information representing the transaction from the best information available from other sources and cannot guarantee the accuracy thereof. Any real estate agent or lender involved may be furnished a copy of the statement.

Seller understands that tax and insurance proration and reserves were based on figures for the preceding year or supplied by others or estimates for the current year, and in the event of any change for current year, all necessary adjustments must be made between Purchaser and Seller. direct.

The undersigned hereby authorizes Heritage Title Company of Austin, Inc. to make expenditures and disbursements as shown above and approves same for payment. The undersigned also acknowledges receipt of Loan Funds, if applicable, in the amount shown above and a receipt of a copy of this statement.

# Overcup Property

- ❑ South Austin single-family residential home with ADU.
- ❑ Partially constructed at time of Receiver's appointment.
- ❑ Receiver finished construction.
- ❑ Home is for sale for price of \$1,550,000.



# Guestwiser Joint Venture

- ❑ Receiver foreclosed on and sold real property securing the loan
- ❑ Receiver also foreclosed on five (5) modular housing units
- ❑ Sale of modular units was seller-financed to Modular Development Concepts, LLC
- ❑ Purchaser is in default under the note
- ❑ The Receiver is evaluating remedies
  - Also negotiating with a potential buyer to purchase the units from the borrower and payoff the note held by the receivership estate.

## PROMISSORY NOTE

U.S. \$422,500.00

March 15, 2025

**FOR VALUE RECEIVED**, MODULAR DEVELOPMENT CONCEPTS, LLC (“**Borrower**”) with the address of 7403 SE 31<sup>st</sup> Avenue, Portland, Oregon 97202, hereby promises to pay to the order of GREGORY S. MILLIGAN, IN HIS CAPACITY AS COURT-APPOINTED RECEIVER FOR PRIDE OF AUSTIN HIGH YIELD FUND I, LLC (“**Lender**”), at the office of Lender located at 8911 N. Capital of Texas Hwy., Ste. 2120, Austin, Texas 78759, the principal amount of FOUR HUNDRED TWENTY TWO THOUSAND FIVE HUNDRED AND NO/100 DOLLARS (\$422,500.00) or such lesser principal amount as from time to time shall be outstanding hereunder, as reflected in the books and records of Lender, together with interest on the principal balance from time to time outstanding hereunder, from (and including) the date of execution until (but not including) the date of payment, at a per annum rate equal to the Stated Interest Rate specified below or, to the extent applicable, the Default Rate specified below, in accordance with the following terms and conditions:

1. **Definitions.** As used herein, the following terms shall have the following meanings (all terms defined in this Section 1 or in other provisions of this Note in the singular to have the same meanings when used in the plural and vice versa):

“**Business Day**” means any such day that is a weekday and is not a federal holiday.

“**Default Rate**” shall mean 15% per annum.

“**Dollar**” and “**\$**” means lawful money of the United States of America.

“**Event of Default**” has the meaning set forth in Section 10 of the Note.

“**Maturity Date**” shall be 180 days from the date of the execution of this Note.

“**Modular Units**” means five (5) modular housing units owned by the Seller with the following serial numbers: MM-KRB-(0001)-0000-TX, MM-KRB-(0002)-0000-TX, MM-KRB-(0003)-0000-TX, MM-KRB-(0004)-0000-TX, MM-KRB-(0005)-0000-TX, MM-KRB-(0006)-0000-TX, MM-KRB-(0007)-0000-TX, MM-KRB-(0008)-0000-TX, MM-KRB-(0009)-0000-TX, MM-KRB-(0010)-0000-TX.

“**Note**” means this Promissory Note, and all modifications, increases, replacements, renewals and extensions of this Promissory Note.

“**Stated Interest Rate**” means 8% per annum.

“**Third Party Purchaser**” means any person or entity that purchases one or more of the Modular Units from Borrower after title to the Modular Units has been transferred to Borrower.

# Trinity Consulting & Construction

- ❑ Receiver foreclosed on multiple residential lots in Lago Vista, Texas (March 2025).
- ❑ Portfolio includes one substantially completed home, one framed structure, and multiple unimproved lots.
  - Majority of value concentrated in substantially completed home at 3405 Congress Avenue
- ❑ Properties located in competitive market with ~50 months of inventory for sale.
- ❑ Broker retained to market and sell all properties.
  - Contract executed to sell three (3) Congress Avenue lots for \$75,000
  - Motion to Sell to be filed upon clearance of contingencies
  - Remaining lots actively listed for sale

# Hidden Oaks at Berry Creek, LLC

- ❑ HOBC was a development in Williamson County, with three (3) unimproved lots serving as the Fund's collateral
- ❑ HOBC's principal executed a limited guaranty
- ❑ Receiver has reached settlement with HOBC and guarantor
- ❑ HOBC will convey remaining three (3) lots to the Receivership Estate, which Receiver will market and sell
- ❑ Additional \$10,000 cash payment to the Estate from the guarantor
- ❑ Settlement fully resolves all outstanding disputes
- ❑ Avoids further litigation and collection costs

# Milan Sai Joint Venture

- ❑ Super 8 Motel in Stanton, Texas; \$2.4 Million (principal) loan.
- ❑ Milan Sai filed Chapter 11 in November 2024; Receiver was active, entered settlement requiring:
  - Payment to Receiver of \$3 Million
  - Sale of hotel, with net proceeds remitted to Receiver
  - Guarantors to pay deficiency secured by Agreed Judgment
- ❑ Sale approved for \$2.0 million; estimated net proceeds of ~\$1.8 million.
  - ❑ Debtor is balking at sale and revoking consent to Agreed Judgment
  - ❑ Hearing on February 2, 2026 in Bankruptcy Court
  - ❑ Automatic Stay to be lifted
  - ❑ Receiver's Motion to Enforce Settlement Agreement.

Case 24-33560-mv11 Doc 197 Filed 12/29/25 Entered 12/29/25 10:30:43 Desc  
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CLERK, U.S. BANKRUPTCY COURT  
NORTHERN DISTRICT OF TEXAS  
**ENTERED**  
THE DATE OF ENTRY IS ON  
THE COURT'S DOCKET

The following constitutes the ruling of the court and has the force and effect therein described.

Signed December 29, 2025

*Michelle V. Larson*  
United States Bankruptcy Judge

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF TEXAS  
DALLAS DIVISION

IN RE: §  
MILAN SAI JOINT VENTURE, LLC § CASE NO. 24-33560-mv1  
Debtor. § CHAPTER 11

**ORDER GRANTING MOTION TO SELL REAL PROPERTY FREE  
AND CLEAR OF LIENS, CLAIMS AND ENCUMBRANCES**

CAME ON FOR CONSIDERATION BY THE COURT the Motion to sell Real Property Free and Clear of Liens, Claims and Encumbrances (the "Motion") filed by Milan Sai Joint Venture, LLC (the "Debtor") in the above-referenced case. The Court finds that the Motion was properly served pursuant to the Federal and Local Rules of Bankruptcy Procedure. The Court finds that no objection or other written response to the Motion has been timely filed by any party. Due to the failure of any party to file a timely written response, the allegations contained in the Motion stand unopposed and, therefore, the Court finds that good cause exists for the entry of the following order.

**ORDER GRANTING MOTION TO SELL REAL PROPERTY FREE  
AND CLEAR OF LIENS, CLAIMS AND ENCUMBRANCES**

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# Net Winner Litigation

- ❑ Net winner clawback actions target ~\$13.5 million in excess distributions
- ❑ \$1.92 million recovered to date
- ❑ Recoveries achieved through settlements (both pre- and post-litigation)
- ❑ Several matters fully resolved and closed~25 matters remain pending
  - ❑ Itemized listing of each open clawback claim attached as Exhibit A to Q4 Status Report available on receivership website.
- ❑ Receiver prioritizing cases based on recovery potential, cost, and collectability

# Litigation Against CCG and Mr. Buchanan

- ❑ Receiver filed suit against Robert Buchanan and affiliated entities for alleged fund mismanagement and fraud
- ❑ Prosecution structured on 30% contingency basis to avoid estate expense burden
- ❑ Claims pursued based on misconduct allegations and recovery potential
- ❑ Defendants appeared; Buchanan improperly attempted to represent affiliated entities
- ❑ Court struck answers filed on behalf of CCG entities (January 21, 2026)
- ❑ Receiver is moving for entry of judgment against CCG Capital Group, LLC and CCG Development, LLC
- ❑ Remaining litigation against Robert Buchanan will continue.

# Second Interim Distributions

- ❑ First Interim Distribution successfully completed to pay Class 1 and Class 2 in full, and a 51.64% distribution to Class 3 investors
- ❑ Continued asset monetization and recovery efforts strengthening available liquidity
- ❑ Second Interim Distribution may be green-lit before March 31, 2026