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9 *Counsel for Allen D. Applbaum as Receiver*

10
11 **IN THE UNITED STATES DISTRICT COURT**
12 **FOR THE DISTRICT OF ARIZONA**

13 United States Securities and Exchange
14 Commission,

15 Plaintiff,

16 v.

17 Jonathan Larmore, et al.,

18 Defendants, and

19 Michelle Larmore, Marcia Larmore,
20 CSL Investments, LLC,
21 MML Investments, LLC,
22 Spike Holdings, LLC,
23 and JMMAL Investments, LLC,

24 Relief Defendants.

Case No. 23-CV-02470-PHX-DLR

**RECEIVER'S RESPONSE TO
QUADRANT MEZZ FUND LP'S
MOTION FOR LEAVE TO
INTERVENE TO FILE AND BE
HEARD ON ITS LIMITED
OPPOSITION TO THE
RECEIVER'S MOTION FOR
ORDERS (I) APPROVING (A) THE
ENGAGEMENT AND
COMPENSATION OF MARCUS &
MILLICHAP REAL ESTATE
INVESTMENT SERVICES AS
BROKER FOR THE SALE OF THE
PROPERTIES, (B) THE SALE AND
AUCTION PROCEDURES FOR
THE SALE OF THE PROPERTIES;
(II) APPROVING THE SALE OF
THE PROPERTIES AFTER
AUCTION, FREE AND CLEAR OF
ALL LIENS, CLAIMS,
ENCUMBRANCES AND
INTERESTS; AND (III) GRANTING
RELATED RELIEF**

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27 ¹ Admitted *pro hac vice*.

28 ² Admitted *pro hac vice*.

1 Allen D. Applbaum as receiver for ArciTerra Companies, LLC and related entities (the
2 “Receiver”), by and through his counsel, Archer & Greiner, P.C., submits this response to
3 *Quadrant Mezz Fund LP’s Motion for Leave to Intervene to File and Be Heard On Its Limited*
4 *Opposition to the Receiver’s Motion for Orders (i) Approving (a) the Engagement and*
5 *Compensation of Marcus & Millichap Real Estate Investment Services As Broker for the Sale*
6 *of the Properties, (b) the Sale and Auction Procedures for the Sale of the Properties; (ii)*
7 *Approving the Sale of the Properties After Auction, Free and Clear of All Liens, Claims,*
8 *Encumbrances and Interests; and (iii) Granting Related Relief* [ECF No. 399] (the “Motion to
9 Intervene”), and in support thereof, respectfully states forth as follows:

12 **I. Response**

13 1. The Receiver has no objection to Quadrant Mezz Fund LP’s (“Quadrant”)
14 intervening in this case with respect to the relief sought in the *Receiver’s Motion for Orders (I)*
15 *Approving (A) the Engagement and Compensation of Marcus & Millichap Real Estate*
16 *Investment Services as Broker to Sell the Real Properties Subject to the CMBS Loan Serviced*
17 *by 3650 REIT Loan Servicing LLC And (B) the Sale and Auction Procedures for the Sale of the*
18 *Properties; (II) Approving (A) the Sale of the Properties, Free and Clear of All Liens, Claims,*
19 *Encumbrances and Interests, (B) the Engagement and Compensation of the Defeasance*
20 *Consultant, and (C) the Use of the Sale Proceeds to Defeas and Satisfy the CMBS Loan; and*
21 *(III) Granting Related* [ECF No. 394] (the “Sale Motion”).

22 2. The Receiver and Quadrant are currently negotiating the terms of a consent order
23 in an effort to resolve the issues raised in Quadrant’s proposed *Limited Opposition to the Sale*
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1 *Motion*,¹ to be filed if the Court grants the Motion to Intervene.

2 **II. Reservation of Rights**

3 3. The Receiver reserves his rights (i) to respond to the *Limited Opposition to the*
4 *Sale Motion* if it is actually filed, and (ii) otherwise in all respects.

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6 Dated: July 30, 2025

ARCHER & GREINER, P.C.

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8 By: 

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¹ Annexed as *Exhibit A* to the Motion to Intervene.

CERTIFICATE OF SERVICE

I hereby certify that on July 30, 2025, I electronically transmitted the foregoing document with the Clerk of the Court using the CM/ECF systems, which will provide electronic mail notice to all counsel of record.



Allen G. Kadish

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