

## **RECEIVER'S SPECIAL REPORT & OVERVIEW REGARDING SPIRIT'S CLAIMS PROCESS AND RECOMMENDATIONS**

### **EXECUTIVE SUMMARY:**

Pursuant to the Court's July 9, 2025, Order establishing a pre-appointment claims process, notice was provided to all known Investors and interested parties, published in three newspapers, posted to Spirit's website, and uploaded to each Willco's AppFolio portal. Claimants submitted 76 claims by the Bar Date.

This receivership is not a traditional insolvency proceeding. Most claims were submitted by Investors in various Willco entities, not by Spirit's creditors, and primarily seek recovery of investment losses, unreturned capital, or anticipated distributions. Only seven claims were asserted directly against Spirit, and most of those arise post-appointment or otherwise fall outside this process.

The Receiver reviewed all submissions, Spirit's available records, AppFolio data, and applicable legal standards. The attached Willco-specific summaries and spreadsheets reflect only the Receiver's recommendations; the Court will determine whether any claim is allowed.

The submitted claims total \$24,842,655.65, most of which arise from ten Willco entities (IV, V, VI, VII, VIII, X, XI, XII, XIV, and XV). Only seven claims relate directly to Spirit, and most of those are post-appointment or otherwise outside the scope of this process.

After review of all submissions, Spirit's records, AppFolio data, financial documents, historical information, and legal standards provided by the Court, the Receiver prepared the attached Willco-by-Willco analyses and recommendation spreadsheets. The Receiver emphasizes that these are recommendations only; the Court will determine whether any claim is

allowed.

Based on the Receiver's review, the claims recommended for allowance total **\$10,142,674.18**, limited to principal amounts only. Consistent with equitable practice when available estate funds are insufficient for full repayment, the Receiver recommends denial of all claims for statutory interest, penalties, attorneys' fees, or similar add-ons. This Special Report is based on the best information available under the compressed timeframe and the limited historical records maintained by Spirit and the Willcos. The Receiver conducted an administrative review, not a forensic audit or merits adjudication, and invites the Court to request further information on any claim as needed.

Nothing in this Special Report affects, limits, or impairs any Investor's right to receive their pro-rata share of ERC proceeds from their respective Willco. Employee Retention Credit ("ERC") receipts were post-appointment income of the Willco entities, not liabilities of Spirit, and therefore are not allowable claims in this process.

### **CLAIMS PROCESS SUMMARY:**

1. **Submission of Claims.** Claimants submitted the required Proof of Claim form, signed under penalty of perjury, by email to the Court-authorized claims address or by mail to the Receiver's P.O. Box. Each submission was logged, assigned a tracking number, and grouped by relevant Willco entity for review with Spirit's available records.

2. **Documentation Provided.** The claims submitted ranged from those with very detailed, organized information, including exhibits and backup documents, to very brief handwritten claims with missing information that lacked a thoughtful basis or any basis at all.

Most Claimants needed guidance on how to complete the Claim form. The Receiver assisted and, when available, via email and phone.

3. **Acknowledgment of Receipt.** Receipt of each Claim was acknowledged as best possible for those who submitted via email with attachments.

4. **Organization of Claims.** Because most submissions related to specific Willco investments, the Receiver organized and evaluated the claims by Willco entity to allow for consistent comparison of ownership, capital contributions, and distributions.

5. **Review Standard.** The Receiver conducted a neutral, administrative assessment of each claim. The Receiver's role was not to assess claimant sophistication or motives, but to determine whether the submission established a cognizable pre-appointment liability of Spirit supported by documentation or verifiable records.

6. **Record Review.** The Receiver supplemented claimant submissions by reviewing Spirit's books and records, AppFolio data, bank records where available, and discussions with Spirit personnel knowledgeable about historical operations.

7. **Verification of Ownership and Contributions.** For each Claim, the Receiver cross-referenced available records to verify ownership interests, capital contributions, and distributions relevant to the asserted claim.<sup>1</sup>

## **CLAIMS OVERVIEW:**

Seventy-Six claims were submitted across ten Willco entities and Spirit Hospitality, LLC. Because most submissions related to specific Willco investments, the Receiver organized and

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<sup>1</sup> In many instances, Investors claims (even those submitted by counsel) had wrong information, *i.e.* percentage of ownership and calculation errors.

evaluated claims by Willco entity rather than by individual claimant. This structure enables consistent verification of ownership interests, capital contributions, distributions, and the nature of the asserted liabilities.

For each Willco, the Receiver prepared an Overview (the complete set of Willco-by-Willco overviews and recommendation spreadsheets is attached as **Exhibits A through K**, with a consolidated summary attached as **Exhibit L**) summarizing:

1. The relevant operational and financial background necessary to understand the claims;
2. The types of claims submitted (e.g., unreturned capital, ERC-based submissions, alleged Spirit misconduct, interest/profit allocation claims, sale-proceeds claims, etc.);
3. Whether the claims asserted constitute a pre-appointment liability of Spirit; and
4. The Receiver's recommendation for allowance or denial.

Each Overview is accompanied by a spreadsheet identifying:

1. The claimant;
2. Total amount asserted;
3. The basis of the claim;
4. Documentation provided;
5. Verified ownership and capital data from Spirit's records and AppFolio; and
6. The Receiver's recommended treatment under applicable legal standards.

Across all Willcos, the Receiver observed the following consistent themes:

1. Unreturned capital claims were typically not claims against Spirit unless a contractual obligation of Spirit existed. Where Willco entities were solvent or distributing sale proceeds, unreturned capital claims were recommended for denial as improper in this process.
2. ERC-related claims were uniformly recommended for denial because ERC proceeds were received post-appointment by the Willco entities and are not liabilities of Spirit. This does not affect any Investor's right to receive ERC distributions from their Willco.
3. Claims seeking interest, penalties, attorneys' fees, or profit allocations were recommended for denial on equitable grounds and due to insufficient available estate assets.
4. Claims alleging Spirit misconduct (e.g., failure to record DOTs, improper compensation, intercompany transfers, nondisclosure issues, etc.) were evaluated for (i) pre-appointment timing, (ii) legal viability, (iii) documentation, and (iv) whether such claims were released through pre-receivership settlement agreements.
5. Claims concerning sale proceeds were recommended for denial where sale events occurred post-appointment or where proceeds were properly distributed at the Willco level.
6. Duplicative, unsupported, or incomplete claims were recommended for denial.

A separate overview and spreadsheet were also prepared for claims asserted directly against Spirit, which primarily involved allegations of unpaid rent, indemnification, wrongful termination, breach of contract, and attorneys' fees. Most such claims were recommended for denial as (i) post-appointment, (ii) not legal liabilities of Spirit, or (iii) otherwise unsupported.

For avoidance of doubt, the Receiver's recommendations are not findings of fact, legal conclusions, or final determinations of any party's rights. The Receiver's role is limited to organizing submissions, evaluating available documentation, and providing a preliminary administrative assessment. The Court alone will decide whether a claim is accepted or denied, and the Court may reach a different result for any reason supported by the record or applicable law.

### **PROCESS MOVING FORWARD:**

The demonstrative summary previously filed in support of the claims process is reattached as **Exhibit M** for the Court's convenience. It outlines the procedural framework approved by the Court and serves as a concise visual reference for the steps governing the pre-appointment claims process. Should the Court require any additional information, clarification, or documentation regarding a particular claim or claimant, the Receiver will make best efforts to obtain and provide such information promptly.

Claimants may object to the Receiver's recommendations, in whole or in part, in accordance with the deadlines and procedures established by the Court. After the Court determines which claims are allowed and which are denied, the Receiver will prepare and submit a final schedule of allowed claims with verified amounts. The Receiver notes that allowance of a claim does not guarantee payment in full. Given the likely insufficiency of estate assets, the

Court will need to determine the appropriate method of distribution, which will likely require a pro rata allocation within the applicable priority class.

Distributions on allowed claims will occur near the conclusion of the receivership, after all remaining assets have been liquidated, obligations satisfied, and final amounts determined. Only at that stage will the Receiver and the Court know the total funds available for payment of allowed claims.

### **CONCLUSION:**

The Receiver has reviewed all 76 timely submitted claims, evaluated the supporting documentation and available records, and prepared the accompanying recommendations in good faith and in accordance with the Court's July 9, 2025 Order. These recommendations are administrative in nature and are not findings of fact or legal determinations; the ultimate allowance or disallowance of each claim rests solely with the Court. Once the Court issues its rulings, the Receiver will prepare a final schedule of allowed claims and, at the appropriate time, present a proposed distribution consistent with the Court's directives and the estate's available funds. The Receiver respectfully requests the Court's consideration of this Special Report and awaits further instructions.

### **CLAIMS EXHIBITS**

The following Exhibits accompany this Special Report and contain the materials referenced in the Claims Overview:

**Exhibit A – Willco IV: Claim List Spreadsheet & Overview**

**Exhibit B – Willco V: Claim List Spreadsheet & Overview**

**Exhibit C – Willco VI: Claim List Spreadsheet & Overview**

**Exhibit D – Willco VII: Claim List Spreadsheet & Overview**

**Exhibit E – Willco VIII: Claim List Spreadsheet & Overview**

**Exhibit F – Willco X: Claim List Spreadsheet & Overview**

**Exhibit G – Willco XI: Claim List Spreadsheet & Overview**

**Exhibit H – Willco XII: Claim List Spreadsheet & Overview**

**Exhibit I – Willco XIV: Claim List Spreadsheet & Overview**

**Exhibit J – Willco XV: Claim List Spreadsheet & Overview**

**Exhibit K – Spirit Hospitality, LLC: Claim List Spreadsheet & Overview**

**Exhibit L – Summary of All Claims Submitted and Recommended for Allowance**

**Exhibit M – Demonstrative Summary of the Court-Approved Claims Process**

## VERIFICATION

CITY AND COUNTY OF DENVER )  
STATE OF COLORADO ) ss.  
 )

The Receiver Group, LLC, as Receiver, under the laws of perjury of the State of Colorado, swears that the facts in the foregoing Motion are true and correct.

## The Receiver Group, LLC, as Receiver

  
By: Ryan Gulick, Principal  
Dated this 8<sup>th</sup> day of December 2025.

**A) Overview:**

Willco IV's hotel opened on March 3, 2007 and sold November 12, 2021 for \$7,950,000. All of Willco IV's Investors profited and were distributed their final pro-rata share distributions from the hotel's sale proceeds.

**B) Types of Claims Raised & Recommendations:**

1. Employee Retention Credits (ERC). In August 2025, post-appointment of the Receiver, Willco IV received ERC funds totaling \$61,599.47 from the IRS. These funds were deposited into a segregated bank account, held by the Receiver for Willco IV. For sake of clarity, these funds are Willco IV funds, not Spirit funds, and are income to the Willco entity due to Spirit taking the proper actions and applying for the credits for the Willco entity.
  - a. **Recommendation is to deny these Claims against Spirit. The denial of these Claims is solely because the ERC funds were received post-appointment and fall outside the Receiver's claims process. This determination does not affect, limit, or impair any Investor's right to receive their pro-rata share of ERC proceeds. Willco IV will distribute the net ERC funds to Investors in accordance with the Partnership Agreement once it obtains Court-approval and year-end tax obligations and related expenses are completed.**
2. Statutory Interest, Cost and Attorney's Fees. the Receiver is recommending that the Court act in equity and deny all claims for interest and attorneys' fees (a common result when claims are being paid cents-on-the-dollar). Thus, any allowance recommendation is for principal amounts only.
  - a. **Recommendation is to deny all of these Claims against Spirit.**

## Willco IV Development

## Exhibit A

Willco IV Development									
No.	Claimant Party	Total Claim Submitted	Claim Type / Recommendation	Proposed Adjusted Claim	Submitted By	Claimant Counsel	Investment Class	Ownership %	Claimant Notes
<b>1</b>	The Jerome I Smith Trust	Did Not Specify	<u>Portion of Profits/ERC:</u> (DNS) N/A.	<b>\$0.00</b>	Jerry Smith	n/a	Preferred @ \$50k	1.5117%	I was paid back my investment but am due a proportion of all profits as a Preferred Investor
<b>2</b>	William Scott	\$713.00	<u>ERC:</u> (\$713) N/A. <u>Statutory Interest, Costs, Attorneys' Fees:</u> (DNS) Deny.	<b>\$0.00</b>	Jack A. Hutchings, Esq	c/c Dill Dill Carr Stonbraker & Hutchings, PC	Preferred @ \$50k	1.5117%	ERC Claim + Statutory interest, costs, attorney fees
<b>3</b>	Ron and Jo Ellen Walling	\$29.63	<u>ERC:</u> (\$29.63) N/A.	<b>\$0.00</b>	Ron and Jo Ellen Walling	n/a	Preferred @ \$50k	1.5117%	Claim is % of unpaid/unclaimed cash is est. to be ~\$2,000
Total Claims Submitted		\$742.63	<b>Total Proposed Adjusted Claims</b>	<b>\$0.00</b>					

**A) Overview:**

Willco V's hotel opened on November 7, 2007 and sold March 3, 2022 for \$7.55M. All of Willco V's Investors profited and were distributed their final pro-rata share distributions from the hotel's sale proceeds.

**B) Types of Claims Raised & Recommendations:**

1. Employee Retention Credits (ERC). In August 2025, after the appointment of the Receiver, Willco V received ERC funds totaling \$46,186.88 from the IRS. These funds were deposited into a segregated bank account, held by the Receiver for Willco V. For sake of clarity, these funds are Willco V funds, not Spirit funds, and are income to the Willco entity due to Spirit taking the proper actions and applying for the credits for the Willco entity.
  - a. **Recommendation is to deny these Claims against Spirit. The denial of these Claims is solely because the ERC funds were received post-appointment and fall outside the Receiver's claims process. This determination does not affect, limit, or impair any Investor's right to receive their pro-rata share of ERC proceeds. Willco V will distribute the net ERC funds to Investors in accordance with the Partnership Agreement once it obtains Court-approval and year-end tax obligations and related expenses are completed.**
2. Statutory Interest, Cost and Attorney's Fees. the Receiver is recommending that the Court act in equity and deny all claims for interest and attorneys' fees (a common result when claims are being paid cents-on-the-dollar). Thus, any allowance recommendation is for principal amounts only.
  - a. **Recommendation is to deny all of these Claims against Spirit.**

## Willco V Development

Willco V Development									
No.	Claimant Party	Total Claim Submitted	Claim Type / Recommendation	Proposed Adjusted Claim	Submitted By	Claimant Counsel	Investment Class	Ownership %	Claimant Notes
4	Jerome I. Smith Turst	Did Not Specify	ERC Claim: (DNS) N/A.  <u>ERC Claim: (\$889.70) N/A.</u>  <u>Statutory Interest, Costs, Attorneys' Fees: (DNS) Deny.</u>	\$0.00	Jerry Smith	n/a	Preferred @ \$60k	1.0435%	I was paid back my investment but am due a proportion of all profits as a Preferred Investor
5	Van DeWar Revocable Trust	\$889.70	  <u>ERC: (\$2,208) N/A.</u>  <u>Statutory Interest, Costs, Attorneys' Fees: (DNS) Deny.</u>	\$0.00	Jack A. Hutchings, I	c/c Dill Dill Carr Stonbraker & Hutchings, PC	Preferred @ \$60k	1.0435%	ERC Claim + Statutory interest, costs, attorney's fees
6	William Scott	\$2,208.00	  <u>ERC: (\$144) N/A.</u>  <u>Statutory Interest, Costs, Attorneys' Fees: (DNS) Deny.</u>	\$0.00	Jack A. Hutchings, I	c/c Dill Dill Carr Stonbraker & Hutchings, PC	Preferred @ \$252k	4.80%	ERC Claim + Statutory interest, costs, attorney's fees
7	Ron Walling	\$144.00	  <u>ERC Claim: (\$144) N/A.</u>	\$0.00	Ron Walling	n/a	Preferred @ \$252k	4.80%	Claimant's percentage of unpaid cash is est. ~\$3,000
Total Claims Submitted		\$3,241.70	<b>Total Proposed Adjusted Claims</b>	<b>\$0.00</b>					

**A) Overview:**

Willco VI's hotel opened on June 6, 2008 and sold November 12, 2021 for \$6.4M. All of Willco VI's Investors profited and were distributed their final pro-rata share distributions from the hotel's sale proceeds.

**B) Types of Claims Raised & Recommendations:**

1. Employee Retention Credits (ERC). In August 2025, post-appointment of the Receiver, Willco VI received ERC funds totaling \$23,221.81 from the IRS. These funds were deposited into a segregated bank account, held by the Receiver for Willco VI. For sake of clarity, these funds are Willco VI funds, not Spirit funds, and are income to the Willco entity due to Spirit taking the proper actions and applying for the credits for the Willco entity.
  - a. **Recommendation is to deny these Claims against Spirit. The denial of these Claims is solely because the ERC funds were received post-appointment and fall outside the Receiver's claims process. This determination does not affect, limit, or impair any Investor's right to receive their pro-rata share of ERC proceeds. Willco VI will distribute the net ERC funds to Investors in accordance with the Partnership Agreement once it obtains Court-approval and year-end tax obligations and related expenses are completed.**
2. Statutory Interest, Cost and Attorney's Fees. The Receiver is recommending that the Court act in equity and deny all claims for interest and attorneys' fees (a common result when claims are being paid cents-on-the-dollar). Thus, any allowance recommendation is for principal amounts only.
  - a. **Recommendation is to deny all of these Claims against Spirit.**

## Willco VI Development

Willco VI Development									
No.	Claimant Party	Total Claim Submitted	Claim Type / Recommendation	Proposed Adjusted Claim	Submitted By	Claimant Counsel	Investment Class	Ownership %	Claimant Notes
8	Van DeWar Revocable Trust	\$1,472.00	<u>ERC</u> : (\$1,472) N/A. <u>Statutory Interest, Costs, Attorney's Fees</u> : (DNS) Deny.	<b>\$0.00</b>	Jack A. Hutchings, Esq.	c/c Dill Dill Carr Stonbraker & Hutchings, PC	2 Preferred @ \$40k	3.2%	ERC Claim + Statutory interest, costs, attorney's fees
9	William Scott	\$1,104.00	<u>ERC</u> : (\$1,104) N/A. <u>Statutory Interest, Costs, Attorney's Fees</u> : (DNS) Deny.	<b>\$0.00</b>	Jack A. Hutchings, Esq.	c/c Dill Dill Carr Stonbraker & Hutchings, PC	Preferred @ \$120k	4.80%	ERC Claim + Statutory interest, costs, attorney's fees
	Total Claims Submitted	\$2,576.00	<b>Total Proposed Adjusted Claims</b>	<b>\$0.00</b>					

## Willco VII Development, LLLP

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### Exhibit D

#### **A) Overview:**

Willco VII's hotel opened on December 4, 2014 and was sold by the Receiver on September 24, 2025 for \$10,550,000.

As the Court is aware, Mr. Albrecht's solely owned entity (PA Partners) purchased that land in 2006 from Goodwill Industries. Thereafter, the land was divided into 4 Lots and a common area ("Tract A") which included the parking lot; however, Mr. Albrecht did not finish the appropriate tasks to record Tract A as a common area for the surrounding 4 Lots. The hotel (built on Lot 3) was forced to purchase Tract A from PA Partners for \$834,000 to keep Willco VII's buyer.

At closing, Willco VII paid \$500,000 to PA partners to satisfy a mortgage obligation that encumbered Tract A. \$200,000 of value in the land was attributed to the lawsuit between Willco VII and PA Partners which Willco VII agreed to settle and no collect. This left \$134,000 in cash that was supposed to be paid by Spirit to PA Partners. Spirit lacked the funds to pay PA Partners and the only way they would allow the closing to occur was to have the \$134,000 escrowed in a trust account until the Court would approve the payment. The Court has yet to approve that payment to be made over to PA Partners.

Any intercompany debts between Willco VII and Spirit have been satisfied including nominal interest.

Throughout the hotel's operation, Willco VII's Investors have profited, with just a small amount of Unreturned Capital. The Investors will receive a full return on their investment, plus their ownership share of the sale profits.

#### **B) Types of Claims Raised & Recommendations:**

1. Unreturned Capital. Investors submitted Claims for outstanding amounts owed to them by providing evidence of their ownership. The Receiver is anticipating distributing funds to all Investors and therefore a Claim for Unreturned Capital is unnecessary.
  - a. **Recommendation is to deny these Claims against.**

2. **Unpaid Interest Distributions / Profit Allocations.** These are Claims related to Investor's unpaid distributions and/or profit allocations in accordance with Section 11A of the Partnership Agreement. These distributions/profit allocations only happen when there are funds available. Further, it appears that Spirit will have insufficient funds to pay even the principle of all Claims filed. However, in Willco VII's instance, all Investors will be paid their accrued interest distributions and profit allocations in full.
  - a. **Recommendation is these Claims against Spirit should all be denied.**
3. **Employee Retention Credits (ERC).** In August 2025, Willco VII received ERC funds totaling \$74,460.59 from the IRS. These funds were deposited into Willco VII's operating account and absorbed into the funds available for final distribution. For sake of clarity, these funds are Willco VII funds, not Spirit funds, and are income to the Willco entity due to Spirit taking the proper actions and applying for the credits for the Willco entity.
  - a. **Recommendation is to deny these Claims against Spirit. The denial of these Claims is solely because the ERC funds were received post-appointment and fall outside the Receiver's claims process. This determination does not affect, limit, or impair any Investor's right to receive their pro-rata share of ERC proceeds. Willco VII will distribute the net ERC funds to Investors in accordance with the Partnership Agreement once it obtains Court-approval and year-end tax obligations and related expenses are completed.**
4. **Spirit Compensation.** Spirit's compensation has been addressed by the Court (see Court's November 6. The Court directed the Receiver to investigate those reimbursements. This removes any Claims related to Spirit's Compensation from the Claims Process.
  - a. **Recommendation is to deny these Claims against Spirit, as they are not covered by this process.**
5. **Statutory Interest, Costs, Attorney's Fees.** The Receiver is recommending that the Court act in equity and deny all claims for interest and attorney fees (a common result when claims are being paid cents-on-the-dollar). Thus, any allowance recommendation is for principal amounts only.
  - a. **Recommendation is to deny all of these Claims against Spirit.**

6. **Failure to Record Deeds of Trust.** Prior to the Receiver's appointment, and in accordance with the Willco's Partnership Agreement (11a), Spirit, as general partner, was supposed to record deeds of trusts for the purpose of securing the Partnership's obligations to Secured Limited Partners. This never occurred. As stated, all Investors will receive full returns on their Capital accounts and a share in the sale profits.
  - a. **Recommendation is to deny Claim (No. 18) against Spirit.**
7. **Tract A.** During the process of listing Willco VII for sale, it was discovered the hotel did not in fact own the associated parking lot. The proposed remedy was approved by the Court's June 18 Order, and allowed the Receiver to purchase Tract-A from PA Partners for \$834,000. The breakout of that purchase price is as follows:
  - \$200,000 was in consideration of a Settlement Agreement between Spirit and PA Partners.
  - \$500,000 was paid directly from Willco VII's sale proceeds to PA Partners, as follows:
    - \$235,000 was allocated to Spirit as 47% shareholder of Willco VII
    - \$265,000 was allocated to the remaining 53% of the investment group

The remaining \$134,000 is being held in escrow by the Receiver and will be addressed by the Court (see November 5 Court Order).

  - a. **Recommendation is to deny Claim (No. 15) against Spirit.**
8. **Sale Proceeds.** The hotel sold in September 2025, making these types for Willco VII post-appointment claims. Currently, Willco VII has \$4,328,258 available for distribution. That amount does not include the Receiver's requested holdback of \$350,000 to pay for Willco VII's final administration costs (i.e. 2025 tax returns filed in 2026), and contingencies during the reconciliation period and until dissolution. Any available remaining funds will be distributed to Investors at their pro-rata share from the Willco VII Development, LLLP entity.
  - a. **Recommendation is to deny this claim against Spirit. Willco VII's Sale Proceeds are post-Appointment claims, they will be distributed out from the Willco VII Development LLLP entity.**

Willco VII Development									
No.	Claimant Party	Total Claim Submitted	Claim Type / Recommendation	Proposed Adjusted Claim Amount	Submitted By	Claimant Counsel	Investor Class	Ownership %	Claimant Notes
10	Happy Travelers LLC c/o Armstrong Estate (20%)	\$51,793.82	<u>Unpaid Interest Distributions:</u> (\$2,833.33) N/A. <u>Unreturned Capital:</u> (48,215.88) N/A. <u>ERC:</u> (\$744.61) N/A. <u>Sale Proceeds:</u> (\$150,000) N/A.  <u>Spirit Comp:</u> (5% of improper amounts) N/A. <u>ERC:</u> (\$3,720) N/A. <u>Statutory Interest, Costs, Attorney's Fees:</u> (DNS) Deny.	\$0.00	Jeff & Julie Townsend, Kristi Hawkins c/o Armstrong Estate	n/a	Secured @ \$250k	5%	Armstrong Estate represents only 20% of the Claimant
11	Van DeWar Revocable Trust	\$153,750.00	  <u>Unreturned Capital:</u> (\$245,500) N/A.  <u>Sale Proceeds:</u> (DNS) N/A.	\$0.00	Jack A. Hutchings, Esq.	c/c Dill Dill Carr Stonbraker & Hutchings, PC	Secured @ \$250k	5%	Claim = Est. sale proceeds + Improper Spirit Mngt. Comp + ERC
12	Candle in the Fort, LLC	\$245,500.00	  <u>Unreturned Capital:</u> (\$245,500) N/A.  <u>Sale Proceeds:</u> (DNS) N/A.	\$0.00	Gerald W. Runta	n/a	Secured @ \$250k	5%	Claim = \$245,500 \$400k (Principle) + \$155,883.15 (Int. due from March 2020 - Oct 2024) + \$283,333.30 (Int. due since TRG)
13	Schwartz Holdings LLP	\$241,079.41	<u>Unreturned Capital:</u> (\$241,079.41) N/A. <u>Sale Proceeds:</u> (\$150,000) N/A.  <u>Spirit Comp:</u> (5% of improper charge) N/A. <u>ERC:</u> (\$3,750) N/A.	\$0.00	Dan L. Schwartz, Manager	Keith D. Tooley Welborn Sullivan Meek & Tooley, PC 1401 Lawrence Street, #1800	Secured @ \$250k	5%	Unreturn Capital, Claim = \$241,079.41
14	William Scott Investments, LLC	\$153,750.00	<u>Statutory Interests, Costs, Attorney's Fees:</u> Deny.	\$0.00	Jack A. Hutchings, Esq.	c/c Dill Dill Carr Stonbraker & Hutchings, PC	Secured @ \$250k	5%	\$150k (Est. sale proceeds) + Improper Mngt. + ERC + Statutory Interest, Costs, Attorney's fees
15	Alan Butterfield (no 6)	\$66,720.00	<u>Tract A Purchase:</u> (\$66,720 Damages, Attorney fees and Investigative costs) N/A.	\$0.00	Nick DeWeese, Esq.	Venable, LLC Peter Kodanes Nick DeWeese 1144 15th Street, #3600 Denver, CO 80202	Secured @ \$250k	5%	Tract A & PA Partners / Investors were told they owned a parking lot \$33,360 (4% of \$834k sale) + Spirit should not receive their 50% = \$66,720
16	Alan Butterfield (no 7)	\$242,500.00	<u>Unreturned Capital:</u> (\$242,500) N/A. <u>Interest/Costs of Borrowing:</u> (10%+) Deny.	\$0.00	Nick DeWeese, Esq.	Venable, LLC Peter Kodanes Nick DeWeese 1144 15th Street, #3600 Denver, CO 80202	Secured @ \$250k	5%	Return on Capital due \$242,172.69 on Dec 31, 2024 (Post-Appointment Claim) \$242,500 (capital) + costs of borrowing, at least 10%, if not more
17	Alan Butterfield (no 8) (split between VII & X)	\$11,051.85	<u>Spirit Comp:</u> N/A. <u>Predjudgment Interest, Carrying Costs:</u> Deny.	\$0.00	Nick DeWeese, Esq.	Venable, LLC Peter Kodanes Nick DeWeese 1144 15th Street, #3600 Denver, CO 80202	Secured @ \$250k	5%	Spirit's Comp (split between VII & X) w/ "pre-Judgment Interest" Requested Discovery Claim = \$11,051.87
18	Alan Butterfield (no 9)	\$0.00	<u>Failure to Record DOT:</u> (Non-Monetary) Deny.	\$0.00	Nick DeWeese, Esq.	Venable, LLC Peter Kodanes Nick DeWeese 1144 15th Street, #3600 Denver, CO 80202	Secured @ \$250k	5%	DOT - Failure to follow waterfall for Secured Interest pymts.
19	Jerome I. Smith Trust	\$50,000.00	<u>Sale Proceeds:</u> N/A.	\$0.00	Jerry Smith	n/a	Preferred @ \$50k	1%	According to Willco, there has been a \$40,000 distribution, leaving \$9,100 of undistributed capital Claim = \$50k
20	Midou Enterprises USA, Inc.	\$197,422.00	<u>Unpaid Profit Allocations:</u> (\$197,422) N/A.	\$0.00	Howard Kim, Jr. (VP)	n/a	4 Preferred @ \$50k each = \$200k	4%	Calculations of Unpaid Distributions: 9% (2014-2019, 2023 & 2024) 6% (2020-2022) - COVID
21	Fossen Living Trust	\$50,000.00	<u>Unpaid Profit Allocations:</u> (\$50,000) N/A.	\$0.00	Michele Fossen	n/a	Preferred @ \$50k	1%	<b>Claim amount is only unpaid Int. (\$50k) + share of profits</b> Intercompany borrowing, employee embezzlement, accountability, mismanagement
Total Claims Submitted		\$1,463,567.08	<b>Total Proposed Adjusted Claims</b>	<b>\$0.00</b>					

**A) Overview:**

Willco VIII's hotel opened October 12, 2013 and sold July 14, 2023 for \$13M. Mr. Albrecht raised \$2.7M from Willco VIII's Investors. The hotel was a success and all Investors profited. Over the course of its existence, Willco VIII distributed \$14,706,718.99 to its Investors.

**B) Types of Claims Raised & Recommendations:**

1. Spirit Compensation. Spirit's compensation has been addressed by the Court (see Court's November 6. The Court directed the Receiver to investigate those reimbursements. This removes any Claims related to Spirit's Compensation from the Claims Process.
  - a. **Recommendation is to deny these Claims against Spirit, as they are not covered by this process.**
2. Employee Retention Credits (ERC): In August 2025, Willco VIII received ERC funds totaling \$92,866.35 from the IRS. These funds were deposited into a segregated bank account, held by the Receiver for Willco VIII. For sake of clarity, these funds are Willco IV funds, not Spirit funds, and are income to the Willco entity due to Spirit taking the proper actions and applying for the credits for the Willco entity.
  - a. **Recommendation is to deny these Claims against Spirit, as they are not applicable. The denial of the these Claims is solely because the ERC funds were received post-appointment and fall outside the Receiver's claims process. This determination does not affect, limit, or impair any Investor's right to receive their pro-rata share of ERC proceeds. Willco VIII will distribute the net ERC funds to Investors in accordance with the Partnership Agreement once it obtains Court approval and year-end tax obligations and related expenses are completed.**
3. Sale Proceeds: All of Willco VIII's sale proceeds were distributed to Investors in line with the Partnership Agreement and by pro-rata share.
  - a. **Recommendation is to deny these Claims against Spirit.**

4. Undisbursed Cash: This Claim (No. 25) is either related to Sale Proceeds or ERC (see above).
  - a. **Recommendation is to deny this Claim (No. 25).**
5. Statutory Interest, Costs, Attorney's Fees. The Receiver is recommending that the Court act in equity and deny all claims for interest and attorneys' fees (a common result when claims are being paid cents-on-the-dollar). Thus, any allowance recommendation is for principal amounts only.
  - a. **Recommendation is to deny all of these Claims against Spirit.**
6. Duplicate Ownership: It is not contested that the Van DeWar Revocable Trust is a Preferred Investor in Willco VIII; however, Mr. DeWar has produced a photocopy of an Ownership Certificate for a second investment unit / interest in Willco VIII with a “Secured” unit @ \$300,000 = (another) 1% ownership interest.

Both Spirit's counsel (Mr. Stich) and the Receiver have repeatedly asked Mr. DeWar for further documentation supporting his secondary investment to no avail. No documentation, i.e. bank record, canceled check, written communications regarding this ownership interest has been provided, other than what the Receiver believes is a misprinted ownership certificate. Further, Mr. DeWar received ten years of K-1s that did not reflect this ownership, and not once did he inquire about the “missing K-1” or any missed distributions. Spirit has reviewed its records and bank statements available and there is no evidence of any deposit being received at the Willco Entity or at Spirit.

  - a. **Recommendation is to deny this Claim (No. 27) against Spirit.**

## Willco V Development

Willco V Development									
No.	Claimant Party	Total Claim Submitted	Claim Type / Recommendation	Proposed Adjusted Claim	Submitted By	Claimant Counsel	Investment Class	Ownership %	Claimant Notes
4	Jerome I. Smith Turst	Did Not Specify	<u>ERC Claim:</u> (DNS) N/A.	<b>\$0.00</b>	Jerry Smith	n/a	Preferred @ \$60k	1.0435%	I was paid back my investment but am due a proportion of all profits as a Preferred Investor
5	Van DeWar Revocable Trust	\$889.70	<u>ERC Claim:</u> (\$889.70) N/A. <u>Statutory Interest, Costs, Attorneys' Fees:</u> (DNS) Deny.	<b>\$0.00</b>	Jack A. Hutchings,	c/c Dill Dill Carr Stonbraker & Hutchings, PC	Preferred @ \$60k	1.0435%	ERC Claim + Statutory interest, costs, attorney's fees
6	William Scott	\$2,208.00	<u>ERC:</u> (\$2,208) N/A. <u>Statutory Interest, Costs, Attorneys' Fees:</u> (DNS) Deny.	<b>\$0.00</b>	Jack A. Hutchings,	c/c Dill Dill Carr Stonbraker & Hutchings, PC	Preferred @ \$252k	4.80%	ERC Claim + Statutory interest, costs, attorney's fees
7	Ron Walling	\$144.00	<u>ERC Claim:</u> (\$144) N/A.	<b>\$0.00</b>	Ron Walling	n/a	Preferred @ \$252k	4.80%	Claimant's percentage of unpaid cash is est.
Total Claims Submitted		\$3,241.70	<b>Total Proposed Adjusted Claims</b>	<b>\$0.00</b>					

**A) Overview:**

Willco X's hotel opened May 22, 2019 and is currently under Contract for \$21,000,000 with an estimated closing date in early January 2026. The closing date has been postponed twice due to buyer-title objections that the Receiver has been focused on resolving between the original developer, Willco X and the buyer. This hotel was in bankruptcy at the time of the Receiver's appointment due to actions taken by Mr. Albrecht depriving the asset of working capital to pay its debt obligations. Willco X will most likely be a loss to all Investors. If the hotel does not sell, it is possible the lender/bank will foreclose.

**B) Types of Claims Raised & Recommendations:**

1. Unreturned Capital. Investors submitted Claims for outstanding amounts owed to them by providing evidence of their ownership.
  - a. **Recommendation is to approve these Claims against Spirit.**
  - b. **However, the Receiver would recommend (for Claim No. 30 only) a claim simply for return of capital be allowed based on principles of equity.**
2. Unpaid Interest Distributions / Profit Allocations. These are Claims related to Investor's unpaid distributions and/or profit allocations in accordance with Section 11A of the Partnership Agreement. These distributions/profit allocations only happen when there are funds available. Further, it appears that Spirit will have insufficient funds to pay even the principle of all allowed Claims.
  - a. **Recommendation is to deny all these Claims against Spirit.**
3. Spirit Compensation. Spirit's compensation has been addressed by the Court (see Court's November 6. The Court directed the Receiver to investigate those reimbursements. This removes any Claims related to Spirit's Compensation from the Claims Process.
  - a. **Recommendation is to deny these Claims against Spirit, as they are not covered by this process.**

4. Employee Retention Credits (ERC). Willco X received ERC funds totaling \$192,216.88 from the IRS. These funds were deposited into Willco X's account as income and used for its operations. For sake of clarity, these funds are Willco X funds, not Spirit funds, and are income to the Willco entity due to Spirit taking the proper actions and applying for the credits for the Willco entity.

**a. Recommendation is to deny these Claims against Spirit. The denial of these Claims is solely because the ERC funds were received post-appointment and fall outside the Receiver's claims process.**

5. Sale Proceeds. Willco X has not sold; therefore, there are no sale proceeds.

**a. Recommendation is to deny these Claims against Spirit.**

6. Statutory Interest, Costs, Attorneys' Fees. The Receiver is recommending that the Court act in equity and deny all claims for interest and attorney fees (a common result when claims are being paid cents-on-the-dollar). Thus, any allowance recommendation is for principal amounts only.

**a. Recommendation is to deny all these Claims against Spirit.**

7. Title Issues. Willco X's Development Agreement had certain title restrictions that require Willco X's land to only be used to operate a hotel, and more specifically, a Hilton Garden Inn with a Johnny's Italian Steak House. All of these restrictions were on record with title prior to Mr. Butterfield investing in Willco X (on/around July 5, 2017). The Receiver has been working to fix these title restrictions in the current sale while under contract.

Prior to investing in Willco X, Investors had a duty and ability to conduct their own due diligence. The offering memorandum clearly gave all Investors opportunity to their own research. The language in the agreement states "Prior to subscribing, each offeree or the offeree's representative shall have the opportunity to ask questions of, and receive answers from, the general partner, concerning the terms and conditions of this offering, and the business plan of the partnership. Each offeree may obtain any additional information, to the extent the information is available or can be acquired with reasonable effort and expense, to verify the accuracy of the information in this memorandum". Further, apart from Mr. Albrecht himself, the

title issues were not known to any current Spirit employees until the hotel was listed for sale by the Receiver.

**a. Recommendation is to deny this Claim (No. 36) against Spirit for the reasons given by Mr. Butterfield due to the Settlement Agreement he signed. However, the Receiver would recommend a claim simply for return of capital be allowed based on principles of equity.**

8. Nondisclosed Put Options. On January 5, 2017 Spirit entered into a Put Option Agreements with Mr. William (Bill) Scott, aka William Scott/William Scott Investments, LLC, all of which were personally guaranteed by Mr. Albrecht. The Agreements allowed Mr. Scott a full return on his initial investment (in Willco X's case, it was \$800,000) under various "trigger events". No other Investor was afforded this opportunity, and although Mr. Scott exercised his Put Option in Willco X in September 2020, (just days before Willco X filed for bankruptcy-September 29, 2020), the Willco did not have the funds to pay Mr. Scott. And in this specific Claim, Mr. Butterfield's Settlement Agreement, in exchange for Releases, arose particularly because of these Undisclosed Put Options. The Claim has been released by the Settlement Agreement. Mr. Scott's Put Options are detailed further in Willco XII's Overview.

**a. Recommendation is to deny this Claim (No. 37) against Spirit for the reasons given by Mr. Butterfield due to the Settlement Agreement he signed. However, the Receiver would recommend a claim simply for return of capital be allowed based on principles of equity.**

9. Failure to Sell as a Result Mr. Albrecht Took Money. Prior to bankruptcy (March 3, 2020), Mr. Albrecht had an offer from a buyer to purchase Willco X for \$29.5M. It is suspected that Mr. Albrecht turned the offer down because he did not have enough money to repay the Spirit's loans owed to Willco X.

From March 2017 to March 2020 approximately \$5.32M+ was transferred from Willco X to Spirit in over 100+ transactions, with very few recorded memos other than "Notes Receivable to Spirit." Mr. Albrecht did make payments back to Willco X, but at the time of the bankruptcy filing September 29, 2020, Spirit still owed Willco X \$1.2M.

Last, Mr. Albrecht and Mr. Scott invested in a time share condominium in Mexico, called Dos Guillermos "Two Williams." On October 1, 2015 a journal entry was made in Spirit's books,

called “Investment in Mexico” with a Note Payable to William Scott Investments (WSI) for \$680,000. That N/P was later satisfied on January 31, 2019; however, on that same day, Mr. Albrecht paid Mr. Scott \$240,000 directly from Willco X—the memo reads, “loan to Spirit – Pay off Dos G loan.” Under the “Investment in Mexico” journal entry in Spirit’s books, two more N/P to WSI were created, one for \$800,000 and another for \$400,000; both were satisfied by July 2019.

- a. Recommendation is to deny this Claim (No. 38) against Spirit for the reasons given by Mr. Butterfield due to the Settlement Agreement he signed. However, the Receiver would recommend a claim simply for return of capital be allowed based on principles of equity.**

10. Failure to File Deeds of Trust (“DOTs”). Prior to the Receiver’s appointment, and in accordance with the Willco Partnership Agreement (11a), Spirit, as general partner, was supposed to record deeds of trusts for the purpose of securing the Partnership’s obligations to the Secured Limited Partners; this never occurred. The bankruptcy presents a unique situation for this hotel, and its Investors. A bankruptcy plan was put in place to allow certain classes of creditors outside of Willco X’s Investors, such as unsecured creditors, to be paid. Repeatedly, Mr. Butterfield has claimed that should Investors should have had the properly recorded deed of trust (“DOT”) prior to bankruptcy, so they would not be losing out on proceeds that will be paid over to unsecured creditors according to the plan of approximately \$1.2M.

Indeed, Investors could have made their claim known in bankruptcy when the time was proper for Investors to file a claim (long before the Receiver’s appointment), but this did not occur. Now, Investors are excluded from being a priority over the unsecured class. Investors pressed the Receiver to record the DOT’s claiming a breach of fiduciary duty on both Spirit and the Receiver and the Court has weighed in on the issue. As instructed the Receiver did not record the DOTs. This situation, however, does not negate the fact that Spirit failed in its fiduciary duty back when the investment began and the Court may see this viewpoint and consider it in any final determinations.

Mr. Butterfield argues that if the DOTs were filed in accordance with the Partnership Agreement, Investors would have a priority of payment in the bankruptcy. However, first, that was an issue for the bankruptcy court, and this Court does not sit in review of the bankruptcy court. The issue was apparently not raised there. Second, the claim that an Investor could have been a secured

investor in the bankruptcy is itself an unsecured claim. Third, receivership law does not recognize a “secured equity” status.

- a. Recommendation is to deny this Claim (No. 39) against Spirit for the reasons given by Mr. Butterfield due to the Settlement Agreement he signed. However, the Receiver would recommend a claim simply for return of capital be allowed based on principles of equity.**

## Willco X Development

Willco X Development LLLP									
No.	Claimant Party	Total Claim Submitted	Claim Type / Recommendation	Proposed Adjusted Claim	Submitted By	Claimant Counsel	Investor Class	Ownership %	Claimant Notes (As written by Claimant)
28	Lund Family Trust	\$1,531,034.90	<u>Unreturned Capital:</u> (\$800,00) Accept. <u>Unpaid Interest Distributions:</u> (\$396,666.90) Deny. <u>Sale Proceeds:</u> (\$342,000) N/A. <u>ERC:</u> (\$10,368) N/A. <u>Spirit Comp:</u> (5.4% of Improper Charges) N/D <u>Statutory Interest, Costs, Attorneys' Fees:</u> (DNS) N/A.	\$800,000.00	Jack A. Hutchings, Esq.	c/c Dill Dill Carr Stonbraker & Hutchings, PC	Super Secured @ \$800k	5.58%	\$800k capital + \$324k (Est. sale proceeds @ 5.4%) + \$396,666.90 (unpaid monthly distributions + Improper Mngt. Fees paid to Spirit + \$10,368
29	William Scott Investments, LLC	\$1,531,034.90	<u>Unreturned Capital:</u> (\$800,00) Accept. <u>Undisbursed Interest Pymts:</u> (\$396,666.90) Deny. <u>Sale Proceeds:</u> (\$342,000) N/A. <u>ERC:</u> (\$10,368) N/A. <u>Spirit Comp:</u> (5.4% of Improper Charges) N/D <u>Statutory Interest, Costs, Attorneys' Fees:</u> (DNS) N/A.	\$800,000.00	Jack A. Hutchings, Esq.	c/c Dill Dill Carr Stonbraker & Hutchings, PC	Super Secured \$800k	5.58%	\$800 capital + \$324k (sale proceeds) + \$396,66.90 (monthly Int. - Nov 2019 - Sept 2025) + \$10,368 (ERC)
30	PFI Properties, LLC	\$155,833.15	<u>Unreturned Capital:</u> Deny.	\$0.00	Paul Pautler	n/a	Secured @ \$400k	2.29%	Paid Interest pymts. May 2017-March 2020 of \$2,833.33/month (\$99,034.59) Claim is only for Unpaid Interest, accruing @ \$2,833.33/month (did not Claim Unreturned Capital)
31	New Direction IRA (Herron)	\$558,666.48	<u>Unreturned Capital:</u> (\$400,000) Accept. <u>Unpaid Interest Distributions:</u> (\$158,666.48) Deny.	\$400,000.00	Danny Herron		Secured @ \$400k	2.29%	"2.29% ownership in Willco X" Secured interest pymts. calculated through Sept 2025 (\$2,833.33/month Int.)
32	Van DeWar Revocable Trust	\$734,557.10	<u>Unreturned Capital:</u> (\$400,000) Accept. <u>Undisbursed Interest Pymts:</u> (\$198,333.10) Deny. <u>Sale Proceeds:</u> (\$132,000) N/A. <u>Spirit Comp:</u> (DNS) N/A. <u>ERC:</u> (\$4,224) N/A. <u>Statutory Interest, Costs, Attorneys' Fees:</u> (DNS) Deny.	\$400,000.00	Jack A. Hutchings, Esq.	c/c Dill Dill Carr Stonbraker & Hutchings, PC	Secured @ \$400k	2.29%	\$400k (Capital) + \$132,000 (Est. sale proceeds) + \$198,333.10 (Est. monthly distributions Nov 2019 - Sept 2025) + Improper Spirit Mngt. Comp. + \$4,224 (ERC)
33	Holiday Travelers V	\$556,210.93	<u>Unreturned Capital:</u> (\$400,000) Accept. <u>Unpaid Interest Distributions:</u> (\$156,210.93) Deny.	\$400,000.00	Trudy Sargent, Manager	n/a	Secured @ \$400k	2.29%	Combined Willco X with Willco 8.5% Interest on X & XV Combined
34	Stoltz Capital, LLC	\$594,121.00	<u>Unreturned Capital:</u> (\$400,000) Accept. <u>ERC:</u> (\$2.29% of Total) N/A. <u>Share of Profits:</u> (\$2.29% of Profits) Deny. <u>Spirit's Comp:</u> (DNS) N/A. <u>Attorneys' Fees:</u> (\$0.00) Deny.	\$400,000.00	J. Stephen Stoltz	n/a Keith D. Toohey Welborn Sullivan Meck & Toohey, PC 1401 Lawrence Street, #1800	Secured @ \$400k	2.29%	Amount owed = more than \$588,666 + Attorney fees + pro-rata share profits
35	Schwartz Holdings LLLP	\$586,999.78	<u>Unreturned Capital:</u> (\$400,000) Accept. <u>Unpaid Interest Distributions:</u> (\$186,999.78) Deny.	\$400,000.00	Dan L. Schwartz, Manager	Denver, CO 80202	Secured @ \$400k	2.29%	Capital + Int.
36	Alan Butterfield (no 2)	\$668,000.00	<u>(Title Issues)</u> <u>Unreturned Capital:</u> (\$400,000) Deny. <u>Unpaid Interest Distributions:</u> (\$268,000) Deny. <u>Attorneys' Fees:</u> (DNS) Deny.	\$0.00	Nick DeWeese, Esq.	Venable, LLC Peter Kodolany Nick DeWeese 1144 15th Street, #3600 Denver, CO 80202	Secured @ \$400k	2.29%	If X's Title issues were known, AB would never have Inv. / Albrecht breached by not disclosing title issues *Post-Appointment Claim \$400k (after tax (35% @ \$140k) + Costs of capital 8% four years (\$32k x 4 = \$128k) + Atty. Fees and costs w/Claim

## Willco X Development

Exhibit G

Willco XI Development, LLLP

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**A) Overview:**

Willco XI's hotel opened on May 19, 2016 and sold by the Receiver on May 22, 2025 for \$11,350,000. Willco XI's Investors have profited throughout the hotel's operation. Distributions to Investors have been prepared and are being sent out the week of December 8; all Investors will receive a full return on their investment, accrued interest if owed, plus their pro-rata share of sale profits.

**B) Types of Claims Raised & Recommendations:**

1. Unreturned Capital. Investors submitted Claims for outstanding amounts owed to them by providing evidence of their ownership. The Receiver is anticipating distributing funds to all Investors and therefore a Claim for Unreturned Capital is unnecessary.
  - a. **Recommendation is to deny these Claims against Spirit.**
2. Spirit Compensation. Spirit's compensation has been addressed by the Court (see Court's November 6. The Court directed the Receiver to investigate those reimbursements. This removes any Claims related to Spirit's Compensation from the Claims Process.
  - a. **Recommendation is to deny these Claims against Spirit, as they are not covered by this process.**
3. Sale Proceeds. The hotel sold in late May 2025, making these types of claims for Willco XI post-Appointment claims. As reported to the Court, Willco XI had \$5,287,525 available for distribution; that amount is not reflective of the \$350,000 holdback to pay for Willco XI's final administration costs (i.e. 2025 tax returns filed in 2026), during the reconciliation period and until dissolution. Any available remaining holdback amount of funds will be distributed to Investors at their pro-rata share.
  - a. **Recommendation is to Deny these claims against Spirit.**

4. Employee Retention Credits (ERC). In August 2025, Willco XI received ERC funds totaling \$70,579.99 from the IRS. These funds were deposited into Willco XI's operating account and absorbed into the funds available for final distribution. For sake of clarity, these funds are Willco XI funds, not Spirit Funds, and are income to the Willco entity due to Spirit taking the proper actions and applying for the credits for the Willco entity.
  - a. **Recommendation is to deny all these Claims. The denial solely because the ERC funds received are post-appointment and fall outside the Receiver's Claims Process. This determination does not affect, limit, or impair any Investor's right to receive their pro-rata share of ERC proceeds. Willco XI will distribute the net ERC funds to Investors in accordance with the Partnership Agreement once it obtains Court-approval and year-end tax obligations and related expenses are completed.**
5. Unpaid Interest Distributions / Profit Allocations. These are Claims related to Investor's unpaid distributions and/or profit allocations in accordance with Section 11A of the Partnership Agreement. These distributions/profit allocations only happen when there are funds available. Further, it appears that Spirit will have insufficient funds to pay even the principle of all claims filed. However, regarding Willco XI, all Investors will be paid their accrued interest distributions and profit allocations in full.
  - a. **Recommendation is to Deny these claims against Spirit.**

Willco XI Development

Willco XI Development LLLP									
No.	Claimant Party	Total Claim Submitted	Claim Type / Recommendation / Amount	Proposed Adjusted Claim Amount	Submitted By	Claimant Counsel	Investor Class	Ownership %	Claimant Notes
45	Lund Family Trust	\$297,520.73	<u>Sale Proceeds:</u> (\$278,400) Deny. <u>Spirit Comp:</u> (\$15,826.33) N/A. <u>ERC:</u> (\$3,294.40) N/A.	\$0.00	Jack A. Hutchings, Esq.	c/c Dill Dill Carr Stonbraker & Hutchings, PC	Secured @ \$300k	4.64%	Est. sale of hotel proceeds + Improper Mngt. Comp to Spirit) + ERC
46	L&V Properties, LLC	\$281,694.40	<u>Sale Proceeds:</u> (\$278,400) Deny. <u>Spirit Comp:</u> (\$15,826.33) N/A. <u>ERC:</u> (\$3,294.40) N/A.	\$0.00	Jack A. Hutchings, Esq.	c/c Dill Dill Carr Stonbraker & Hutchings, PC	Secured @ \$300k	4.64%	Est. sale of hotel proceeds + Improper Mngt. Comp to Spirit) + ERC
47	Schwartz Holdings LLLP	Did Not Specify	<u>Sale Proceeds:</u> (DNS) Deny. <u>Attorneys' Fees:</u> (DNS) Deny.	\$0.00	Dan L. Schwartz, Manager	Keith D. Tooley Welborn Sullivan Meck & Tooley, PC 1401 Lawence Street, #1800 Denver, CO 80202	Secured @ \$300k	4.64%	Claim = TBD + Atty fees
48	WSJS Investments, LLC	\$11,474.09	<u>Sale Proceeds:</u> Deny. <u>Spirit Comp:</u> (\$11, 474.09) N/A. <u>ERC:</u> N/A.	\$0.00	Bill Scott c/o Jack A. Hutchings, Esq.	c/o Dill Dill Carr Stonbraker & Hutchings, PC	Secured @ \$300k	4.64%	Improper Spirit Mngt. Comp.
49	David & Kami Aquiar	\$81,446.00	<u>Unreturned Capital:</u> (\$60,000) Deny. <u>Unpaid Profit Allocation:</u> (\$21,446) Deny.	\$0.00	David Aquiar	Woods Aitken LLP 7900 E. Union Ave, #700 Denver, CO 80237 kgeorge@woodsaitken.com	Preferred @ \$60k	0.930%	Claim = \$81,446.00 (Unreturned Capital + Int.)
50	Thomas Smith	\$100,000.00	<u>Sale Proceeds:</u> (\$100,000) Deny.	\$0.00	Self		Preferred @ \$60k	0.930%	"Albrecht took my money and have paid the Investors back". Claim = \$100k
51	Midou Enterprises USA, Inc	\$325,485.00	<u>Unreturned Capital:</u> (\$240,000) Deny. <u>Unpaid Profit Allocations:</u> (\$85,485) Deny.	\$0.00	Howard Kim, Jr. (VP)	n/a	4 Preferred @ \$240k	3.72%	Calculations of Unpaid Distributions: 9% (2014-2019, 2023 & 2024) 6% (2020-2022) - COVID <b>Claim is only Unpaid Int. calculated at 10% for 6 years (payments stopped 2019)</b>
52	New Direction IRA	\$96,000.00	<u>Unreturned Capital:</u> (\$60,000) Deny. <u>Unpaid Profit Allocations:</u> (\$36,000) Deny.	\$0.00	Tom & Michele Fossen	n/a	Preferred @ \$60k	0.93%	Intercompany borrowing, employee embezzlement, accountability, mismanagement Claim = \$96k (Principal + Int.)
53	Jean-Claire Hamblin	Did Not Specify	<u>Sale Proceeds Claim:</u> (DNS) Deny.	\$0.00			Preferred @ \$60k	0.93%	
Total Claims Submitted		\$1,193,620.22	<b>Total Proposed Adjusted Claims</b>	<b>\$0.00</b>					

**A) Overview:**

Willco XII's hotel opened January 25, 2017 and sold July 20, 2023 for \$11,500,000. Willco XII was substantially overleveraged. All but one Investor lost their Capital investments. Over the course of the hotel's existence, only Secured units received distributions from Willco XII but only enough to cover approximately 40% of their initial Capital.

Albrecht raised \$3.6M in Capital from Investors. He then took out a risky 504-SBA loan of \$10.5M (80% of the project's build valuation). The first loan (504) was approximately 50% of the budgeted valuation, followed by the second loan (SBA), for an additional 30% of the valuation.

Further, Willco XII's Proforma was wrong from the start. For example, Continental Breakfast (a six-figure expense line item in any hotel) was missing entirely. Continental Breakfast is the second notable controllable expense in a hotel's operation (behind payroll). So, not only was Mr. Albrecht not accounting for sizable expenses, but he did also not properly account for the debt service payments on the two loans combined. Mr. Albrecht assumed the debt service payment for the second loan (it was less expensive than the first) was the priority payment due and that the first loan's debt service payment would not be due until the second loan was satisfied. Regardless, Mr. Albrecht could not keep up with loan payments. Mr. Albrecht tried to refinance the loans with a lot of other lenders to no avail; no lender would touch the deal, as Willco XII was (at minimum) overleveraged by at least \$3M. By 2019 the first lender began to issue warnings of default for non-payment; this went on for a few quarters, but once COVID happened in 2020, the lender filed for foreclosure and receivership. Willco XII was forced into bankruptcy to stay the foreclosure while Mr. Albrecht worked to sell the hotel.

One important aspect of Willco XII's background is that Willco XII is the only Willco that Mr. Albrecht paid out on Mr. William (Bill) Scott's Put Option (this is related to Put Option Claims in Willcos X and XIV – see those overviews). As early as in 2013, Mr. Albrecht offered Put Option Agreements for the Willcos to only one Investor, Mr. William (Bill) Scott. The Put Options were between Spirit and Mr. Scott and personally guaranteed by Mr. Albrecht. There was a total of 7 Put Options between 6 different Willcos that afforded Mr. Scott the opportunity to receive a full return of Capital (in Willco XII's case \$300,000, plus interest) based on various "trigger events." Altogether, Mr. Scott's Put Options totaled \$2.96M across Willcos VII, VIII,

X, XI, XII and XV. This preferential treatment towards a single Investor goes entirely against the Partnership Agreement. Mr. Scott was paid and other Investors lost money.

In September 2020 (just days before Willcos X and XII filed for bankruptcy) Mr. Scott exercised his Put Options in Willcos X (\$800,000), XII (\$300,000) and XV (\$400,000); however, none of the Willcos could pay Mr. Scott. Throughout 2021 Mr. Scott threatened to sue Mr. Albrecht if his Put Options were not paid. Negotiations between Mr. Albrecht and Mr. Scott led to an agreement that at least one of the Put Options was paid in full (plus attorney's fees and interest)—and that ended up being from Willco XII—in addition to paying Willco X and XV's Put Options within a one-year time period. Mr. Scott signed the agreement, but Mr. Albrecht ignored it. After a long time the e-sign platform deemed the document void.

By August of 2022, Investors in Willcos VII and XI were owed the return of their Capital investments; however, the Willcos did not have enough funds to return all Investors' Capital at one time. Mr. Scott demanded his Capital returns, and when not paid timely, Mr. Scott sued Spirit and the Willcos. To stop the lawsuit, Mr. Albrecht (via Spirit) paid Mr. Scott \$359,500 (Capital, plus interest). An additional \$25,000 was paid to Mr. Scott for his attorney's fees.

After Mr. Albrecht's passing in 2023, Mr. Swanson, on behalf of Spirit, worked to extinguish all remaining Put Options, and in May 2024, Spirit and Mr. Scott entered into a Settlement Agreement. At the same time, at the advice of counsel, Spirit disclosed Mr. Scott's Put Options to all Investors.

**B) Types of Claims Raised & Recommendations:**

1. **Unreturned Capital.** Many Investors submitted Claims for outstanding amounts owed to them by providing evidence of their ownership.
  - a. **Recommendation is to accept the Claims for Unreturned Capital, filed against Spirit.**
  - b. **All but two Investors made Claims for their Unreturned Capital. However, the Receiver would recommend a claim simply for return of capital be allowed based on principles of equity for those two Investors.**

2. Unpaid Interest Distributions / Profit Allocations. These are Claims related to Investor's unpaid distributions and/or profit allocations in accordance with Section 11A of the Partnership Agreement. These distributions/profit allocations only happen when there are funds available. Further, it appears that Spirit will have insufficient funds to pay even the principle of all claims filed.
  - a. **Recommendation is to deny these claims against Spirit.**
3. Spirit Compensation. Spirit's compensation has been addressed by the Court (see Court's November 6. The Court directed the Receiver to investigate those reimbursements. This removes any Claims related to Spirit's Compensation from the Claims Process.
  - a. **Recommendation is to deny these Claims against Spirit, as they are not covered by this process.**
4. Employee Retention Credits (ERC). In August 2025, Willco XII received ERC funds totaling \$84,301.87 from the IRS. These funds were deposited into Willco XII's bank account and will be distributed to Investors in accordance with the Partnership Agreement. For sake of clarity, these funds are Willco XII funds, not Spirit funds, and are income to the Willco entity due to Spirit taking the proper actions and applying for the credits for the Willco XII.
  - a. **Recommendation is to deny these Claims against Spirit, as they are not applicable. The denial of these Claims is solely because the ERC funds were received post-appointment and fall outside the Receiver's claims process. This determination does not affect, limit, or impair any Investor's right to receive their pro-rata share of ERC proceeds. Willco XII will distribute the net ERC funds to Investors in accordance with the Partnership Agreement once it obtains Court approval and year-end tax obligations and related expenses are completed.**

5. Sale Proceeds. There were no proceeds from the sale of Willco XII's hotel. The last distribution made with available funds was March of 2020. When the hotel sold in 2023 all proceeds went to Willco XII's outstanding obligations and debts.

**a. Recommendation is to deny these Claims against Spirit.**

## Willco XII Development

Willco XII Development LLLP									
No.	Claimant Party	Total Claim Submitted	Claim Type /Recommendation	Proposed Adjusted Claim	Submitted By	Claimant Counsel	Investor Class	Ownership %	Claimant Notes
51	Lund Family Trust	\$26,410.55	<u>Sales Proceeds</u> : (\$860) Deny. <u>Spirit Comp</u> : (\$21,900.32) N/A. <u>ERC</u> : (\$3,650.23) N/A. <u>Statutory Interest, Costs, Attorneys' Fees</u> : (DNS) Deny.	\$0.00	Jack A. Hutchings, Esq.	c/c Dill Dill Carr Stonbraker & Hutchings, PC	Secured @ \$300k	4.33%	\$860 (sale profits) + \$21,900.32 (Improper Spirit Mngt. Comp.) + \$3,650.23 (ERC)
52	Van DeWar Revocable Trust	\$26,410.55	<u>Sales Proceeds</u> : (\$860) Deny. <u>Spirit Comp</u> : (\$21,900.32) N/A. <u>ERC</u> : (\$3,650.23) N/A. <u>Statutory Interest, Costs, Attorneys' Fees</u> : (DNS) Deny.	\$0.00	Jack A. Hutchings, Esq.	c/c Dill Dill Carr Stonbraker & Hutchings, PC	Secured @ \$300k	4.33%	\$860 (undistributed sale profits) + \$21,900.32 (Improper Spirit Mngt. Comp.) + \$3,650.23 (ERC)
53	William R Cordes Trust	\$420,525.27	<u>Unreturned Capital</u> : (\$300,000) Accept. <u>Unpaid Interest Distributions</u> : (DNS) Deny.	<b>\$300,000.00</b>	William Cordes	n/a	Secured @ \$300k	4.33%	Claims original investment, monthly distributions (April 2022-November 2022), and ERC
54	Holiday Travelers IV	\$1,223,272.55	<u>Spirit Comp</u> : (\$505,801) N/A.	<b>\$600,000.00</b>	Trudy Sargent, Manager		2 Secured @ \$300k each	8.66%	Unpaid Int. Calculated @ 8.5% from April 2020 - July 20, 2023 (sold) Basis letter
45	Jerome I. Smith Trust	\$60,000.00	<u>Unreturned Capital</u> : (\$60,000) Accept.	<b>\$60,000.00</b>	Jerry Smith	n/a	Preferred @ \$60k	0.867%	Claim is Unreturned capital only
46	Clayton & Leslie Mowers	\$60,000.00	<u>Unreturned Capital</u> : (\$60,000) Accept. <u>Unpaid Profit Allocations</u> : (DNS) Deny.	<b>\$60,000.00</b>	Clay Mowers	n/a	Preferred @ \$60k	0.867%	Principle + Interest
47	Bejcek & Barrett Investment Suite	\$60,000.00	<u>Unreturned Capital</u> : (\$60,000) Accept.	<b>\$60,000.00</b>	Edward R. Bejcek	n/a	Preferred @ \$60k	n/a	Stated he's a "Priority @ \$30k"
48	New Direction IRA FBO Dan Thomas	\$60,000.00	<u>Unreturned Capital</u> : (\$60,000) Accept. <u>Unpaid Profit Allocations</u> : (DNS) Deny.	<b>\$60,000.00</b>	Daniel R. Thomas	n/a	Preferred @ \$60k	0.867%	Principle + Interest
49	Merit Financial Advisors FBO Larry Wiles IRA	\$60,000.00	<u>Unreturned Capital</u> : (\$60,000) Accept. <u>ERC</u> : (\$0.00) N/A.	<b>\$60,000.00</b>	Larry Wiles	TBD	Preferred @ \$60k	0.867%	
50	Midou Enterprises USA, Inc.	\$402,098.00	<u>Unreturned Capital</u> : (\$240,000) Accept. <u>Unpaid Profits Allocations</u> : (\$162,098) Deny.	<b>\$240,000.00</b>	Howard Kim, Jr. (VP)	n/a	4 Preferred @ \$240k	3.47%	Calculations of Unpaid Distributions: 9% (2014-2019, 2023 & 2024) 6% (2020-2022) - COVID
TOTAL Claims Received		\$702,098.00	<b>TOTAL Proposed Claims</b>	<b>\$1,440,000.00</b>					

**A) Overview:**

Willco XIV never built a hotel, despite Mr. Albrecht raising \$3.2M from its Investors in March 2018 (\$1.6M was cash, and \$1.6M in land contribution). In the Receiver's research and discovery, it was learned and is understood that the land for which the hotel was to be built was given to Willco XIV (free and clear) in exchange for investment units / positions by the Rice family. The same day the land was deeded to Willco XIV, Mr. Albrecht took out a mortgage against the land for \$1.5M and immediately gave or loaned it to Spirit. Over the course of the next 15 months, Mr. Albrecht more than doubled Spirit's note, from \$1.5M to \$3.075M. Despite being well overleveraged, Mr. Albrecht continued to try and make mortgage payments, but the accruing interest alone was more than the payments being made. The Receiver also learned that at some point Willco XIV's Investors demanded to liquidate the investment if was never going to be built. Out of money and options, in late 2021, Mr. Albrecht sold Willcos IV, V and VI which infused \$3M into Spirit to help pay back the loan. Finally, Mr. Albrecht sold the land on July 2022 for \$3.6M. Prior to liquidating, Spirit paid back its loan in full. After final distributions were made, \$1,420,385.86 remained in unreturned Capital.

**B) Types of Claims Raised & Recommendations:**

1. Unreturned Capital. Investors submitted Claims for outstanding amounts owed to them by providing evidence of their ownership.
  - a. **Recommendation is to accept these Claims (Nos. 56 & 57) against Spirit.**
2. Nondisclosed Put Option. On January 5, 2017 Spirit entered into a Put Option Agreement with Mr. Willliam Scott that was personally guaranteed by Mr. Albrecht. The agreement allowed Mr. Scott a full return on his initial investment (in this case, it was \$800,000) under the various "trigger events." No other Investor was afforded this opportunity, and although Mr. Scott exercised his Put Option in September 2020, just days before Willco X filed for bankruptcy, it was not paid in full. Instead, post-Mr. Albrecht's passing, Mr. Scott entered into a Settlement Agreement with Spirit (detailed further in Willco XII's overview).

- a. **Recommendation is to deny this Claim (No. 58) against Spirit for the reasons given by Mr. Butterfield due to the Settlement Agreement he signed.**
3. **Breach of Fiduciary Duty.** Mr. Butterfield asserts that Mr. Albrecht caused Spirit to borrow \$2.1M from Willco XIV and breached its fiduciary duty.
  - a. **Recommendation is to deny this Claim (No. 59) against Spirit for the reasons given by Mr. Butterfield due to the Settlement Agreement he signed.**

## Willco XIV Development

Willco XIV Development LLLP									
No.	Claimant Party	Total Claim Submitted	Claim Type / Recommendation	Proposed Adjusted Claim	Submitted By	Claimant Counsel	Investor Class	Ownership %	Claimant Notes
56	Rodney Scott Rice	\$401,337.09	<u>Unreturned Capital</u> : (\$401,337.09) Accept.	<b>\$401,337.09</b>	Rodney Scott Rice	n/a	(3) Preferred @ \$80k each Super Secured @ \$800k Non Preferred @ \$0.00	2.58% 8.56% 1%	\$401,337.09 = Total Unreturned Capital
57	Larry & Karla Rice	\$401,337.09	<u>Unreturned Capital</u> : (\$401,337.09) Accept.	<b>\$401,337.09</b>	Larry Rice	n/a	(3) Preferred @ \$80k each Super Secured @ \$800k Non Preferred @ \$0.00	2.58% 8.56% 1%	\$401,337.09 = Total Unreturned Capital
58	Alan Butterfield (no 10)	\$308,720.84	<b>(Nondisclosed Put Option)</b> <u>Unreturned Capital</u> : (\$308,720.84) Accept. <u>Statutory Interest, Costs, Attorneys' Fees</u> : (DNS) Deny.	<b>\$0.00</b>	Nick DeWeese, Esq.	Venable, LLC Peter Koclanes Nick DeWeese 1144 15th Street, #3600 Denver, CO 80202	Super Secured @ \$800k	8.56%	Post-appointment Claim (July 13, 2025) Put Options Nondisclosure against Bill Scott (Bibco) \$1.2M AB received capital return (\$491,278)
59	Alan Butterfield (no 11)	\$96,000.00	<b>Breach of Fudiciary Duty</b> : (\$96,000) Deny. <b>Prejudgment Interest, Fees, Costs, Atty's Fees</b> : (DNS) Deny.	<b>\$0.00</b>	Nick DeWeese, Esq.	Venable, LLC Peter Koclanes Nick DeWeese 1144 15th Street, #3600 Denver, CO 80202	Super Secured @ \$800k	8.56%	Spirit's \$1.2M Note Payable to XIV Claim is 8.56% x \$1.2M + Pre-Judgment Interest + Costs
Total Claims Submitted		\$1,207,395.02	<b>Total Proposed Adjusted Claims</b>	<b>\$802,674.18</b>					

Exhibit J  
Willco XV Development, LLLP

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**A) Overview:**

Willco XV's hotel opened on November 29, 2018 and was sold by the Receiver on June 18, 2025, \$12,500,000. Mr. Albrecht raised \$6.24M from Willco XV's Investors and built a Fairfield Inn & Suites hotel. Mr. Albrecht overleveraged the hotel with a \$10.7M construction loan and the build costs were closer to \$17M. After COVID (2020), due to cashflow issues Mr. Albrecht was forced to get a bridge loan (interest only loan) for \$11.2M. Prior to the loan's expiration, Willco XV had received terms from the lender that not only extended the loan term by two years, it also decreased the interest rate by 1.25%, which could have increased Willco XV's annual cashflow by \$268,800 (this was under the assumption Ms. Albrecht was going to sign a Guarantor). This never occurred, and on November 13, 2024, Willco XV received a Notice of Default for failure to provide the lender with a satisfactory substitute guarantor. With no available guarantor, the Receiver was forced to sell Willco XV before the lender exercised any remedies.

**B) Types of Claims Raised & Recommendations:**

1. Unreturned Capital. Investors submitted Claims for outstanding amounts owed to them by providing evidence of their ownership.
  - a. **Recommendation is to accept these Claims against Spirit.**
2. Unpaid Interest Distributions / Profit Allocations. These are Claims related to Investor's unpaid distributions and/or profit allocations in accordance with Section 11A of the Partnership Agreement. These distributions/profit allocations only happen when there are funds available and are in no way a guaranteed payment. Further, it appears that Spirit will have insufficient funds to pay even the principle of all claims filed.
  - a. **Recommendation is to deny these Claims against Spirit.**
3. Statutory Interest, Costs, Attorneys' Fees. The Receiver is recommending that the Court act in equity and deny all claims for interest and attorney fees (a common result when claims are being paid cents-on-the-dollar). Thus, any allowance recommendation is for principal amounts only.
  - a. **Recommendation is to deny all these Claims against Spirit.**

4. Employee Retention Credits (ERC). In August 2025, Willco XV received ERC funds totaling \$89,834.13 from the IRS. These funds were deposited into Willco X's account as income and used for its operations. For sake of clarity, these funds are Willco X funds, not Spirit funds, and are income to the Willco entity due to Spirit taking the proper actions and applying for the credits for the Willco entity.
  - a. **Recommendation is to deny these Claims against Spirit, as they are not applicable. The denial of these Claims is solely because the ERC funds were received post-appointment and fall outside the Receiver's claims process.**
5. Spirit Compensation. Spirit's compensation has been addressed by the Court (see Court's November 6. The Court directed the Receiver to investigate those reimbursements. This removes any Claims related to Spirit's Compensation from the Claims Process.
  - a. **Recommendation is to deny these Claims against Spirit, as they are not covered by this process.**
6. Sale Proceeds. The hotel sold in June 2025, making these Claims post-Appointment. Currently, Willco XV has \$201,907.00 available for distribution, less a small amount of accounts payables it is holding back to complete the reconciliation period with the new buyer. Additionally, there will be final administration costs (i.e. 2025 tax returns filed in 2026) until dissolution. Any available remaining funds will be distributed to Investors at their pro-rata share.
  - a. **Recommendation is to deny these Claims against Spirit, as they are post-appointment claims and therefore not applicable to this process.**

## Willco XV Development

Wilco XV Development LLLP									
No.	Claimant Party	Total Claim Submitted	Claim Type / Recommendation	Proposed Adjusted Claim	Submitted By	Claimant Counsel	Investor Class	Ownership %	Claimant Notes
60	William Scott Investments, LLC	\$856,258.10	<u>Unreturned Capital:</u> (\$400,000) Accept. <u>ERC:</u> (\$2,925) N/A. <u>Spirit Comp:</u> N/A. <u>Unpaid Interest Distributions:</u> (\$198,333.10) Deny. <u>Sale Proceeds:</u> (\$195,000) Deny. <u>BIBCO Sale Proceeds:</u> (\$60,000) HELP. <u>Statutory Interest, Costs, Attorney's Fees:</u> (DNS) Deny.	\$400,000.00	Jack A. Hutchings, Esq.	c/c Dill Dill Carr Stonbraker & Hutchings, PC	Secured @ \$400k Interest in LLLP	3.25% 1.0% (Bibco)	Unpaid Int. Dist. since Nov 2019 WSI Ownership Cert. - July 11, 2017 Bibco LLC Ownership Cert. - Jan 1, 2019
61	Robert Michaels	\$561,499.81	<u>Unreturned Capital:</u> (\$400,000) Accept. <u>Unpaid Interest Distributions:</u> (\$141,499.81) Deny. <u>Sale Proceeds:</u> (DNS) Deny.	\$561,499.81	Kevin Strait, Esq.	Anzen Legal Group 343 W Drake Rd., STE 270 Fort Collins, CO 80526 970-693-8857 kevin.strait@anzenlegal.com	Secured @ \$400k	3.25%	Int. calculated \$2,833.33/month Calculated Unpaid Int. Dist. due as of Nov 4, 2024 No Dist. since March 2020
62	Lund Family Trust	\$796,258.10	<u>Unreturned Capital:</u> (\$400,000) Accept. <u>ERC:</u> (\$2,925) N/A. <u>Spirit Comp:</u> N/A. <u>Unpaid Interest Distributions:</u> (\$198,333.10) Deny. <u>Sale Proceeds:</u> (\$195,000) Deny. <u>Statutory Interest, Costs, Attorney's Fees:</u> (DNS) Deny.	\$400,000.00	Jack A. Hutchings, Esq.	c/c Dill Dill Carr Stonbraker & Hutchings, PC	Secured @ \$400k	3.25%	Unpaid Int. Dist. since Nov 2019
63	Van DeWar Revocable Trust	\$796,258.10	<u>Unreturned Capital:</u> (\$400,000) Accept. <u>ERC:</u> (\$2,925) N/A. <u>Spirit Comp:</u> N/A. <u>Unpaid Interest Distributions:</u> (\$198,333.10) Deny. <u>Sale Proceeds:</u> (\$195,000) Deny. <u>Statutory Interest, Costs, Attorney's Fees:</u> (DNS) Deny.	\$400,000.00	Jack A. Hutchings, Esq.	c/c Dill Dill Carr Stonbraker & Hutchings, PC	Secured @ \$400k	3.25%	Unpaid Int. Dist. since Nov 2019
64	XV Commercial Property LLC	\$555,833.45	<u>Unreturned Capital:</u> (\$400,000) Accept.	\$400,000.00	Gerald W. Runta, Bob Brandes	n/a	Secured @ \$400k	3.25%	\$400k (Principle) + \$155,883.15 (Int. due from March 2020 - Oct 2024) + \$283,333.30 (Int. due since TRG)
65	Schwartz Holdings LLLP	\$555,883.15	<u>Unreturned Capital:</u> Accept. <u>Unpaid Interest Distributions:</u> (\$186,999.87) Deny.	\$400,000.00	Dan L. Schwartz, Manager	Keith D. Tooley Walborn Sullivan Meek & Tooley, PC 1401 Lawrence Street, #1800 Denver, CO 80202	Secured @ \$400k	3.25%	Calculates Unpaid Int. Dist. @ \$2,833/month \$155,883.15 through Oct 18, 2024 \$28,333.30 through Aug 18, 2025 (10 months post-Appointment)
66	Holiday Travelers V	\$556,210.93	<u>Unreturned Capital:</u> (\$400,000) Accept. <u>Unpaid Interest Distributions:</u> (\$156,210.93) DENY.	\$400,000.00	Trudy Sargeant		Secured @ \$400k	3.25%	\$400 Unreturned Capital + Int.
67	Stoltz Capital	\$592,755.00	<u>Unreturned Capital:</u> (\$400,000) Accept. <u>Unpaid Interest Distributions:</u> (\$158,666) Deny. <u>ERC:</u> (DNS) N/A. <u>Sales Profits:</u> (DNS) Accept?	\$400,000.00	James Stephen Stoltz		Secured @ \$400k	3.25%	\$400 Unreturned Capital + \$189,833 Int. (8.5% yr. x 67 mos.) + \$ 2,922 ERC + Spirit Comp + Atty's Fees + Prorata share of Sale Profits
68	Midou Enterprises USA, Inc.	\$402,098.00	<u>Unreturned Capital:</u> (\$240,000) Accept. <u>Unpaid Profit Allocations:</u> (\$162,098) Deny.	\$240,000.00	Howard Kim, Jr. (VP)	n/a	3 Preferred @ \$240k	1.95%	Calculations of Unpaid Distributions: 9% (2014-2019, 2023 & 2024) 6% (2020-2022) - COVID
69	William Cordes	\$161,164.00	<u>Unreturned Capital:</u> (\$160,000) Accept. <u>ERC:</u> (\$1,164) N/A.	\$160,000.00	William Cordes	n/a	2 Preferreds @ \$160k	1.30%	Claim is only Unreturned Capital, ERC
Total Claims Submitted		\$5,270,956.64	Total Proposed Adjusted Claims	\$5,270,956.64					

## Exhibit K

### Spirit Hospitality, LLC

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#### A) Overview:

Spirit Hospitality is in Receivership and being administratively dissolved per the orders of the Court. The Receiver has liquidated all but 2 of Spirit's assets since being appointed in November 2024. Remaining are The Willco X Development, LLLP and a vacant parcel of land, referred to as "Crossroads." Spirit was once a profitable management company and has now been scaled down to only support the Receivership estate and management of Willco X, which is still a significant amount of work, as it is the largest hotel with the most staff. Spirit closed its corporate offices in October 2025 and Bryan Swanson and two accountants are the only remaining full time employees, now working remotely. Spirit has shouldered the significant legal expenses of the receivership until now and cash was all but depleted by November 2025 except for the working capital needed to operate the company. Spirit still earns a management fee for its work on Willco X but it is not enough to cover its expenses, so time is of the essence to move things along quickly and stop operating. Both assets left are under contract and expected to close – likely in January of 2026 if things go well.

Spirit has only one secured creditor, the bank holding the note on Crossroads. This note costs Spirit upwards of \$9k a month and will alleviate a significant cash drain once paid. No claims were made against Spirit for unpaid debts, or from creditors.

#### B) Types of Claims Raised & Recommendations:

1. Breach of Contract. Rev-Edge Consulting Claims the Receiver breached a contract put in place by Ms. Aryell Mattern.
  - a. **Recommendation is to deny the Claim (No. 70), since it's a post-appointment Claim and not applicable to this process.**
2. Unpaid Rents. Albrecht Companies, Inc. ("ACI") owns the building that Spirit's Corporate offices were located, 4836 S. College Avenue, Fort Collins CO. Albrecht's Estate on behalf of ACI has claimed that Spirit owes back rent that was not paid after Albrecht passed, June 2023 until the time of the Receiver's appointment.

It is verified that there was no lease and Spirit did not pay the rent for that period of time. The Receiver's research into this topic also uncovered that Spirit paid and covered numerous expenses of ACI and the Albrecht Estate during this period. Prior to the appointment of Receiver, Spirit, through counsel properly filed claims for reimbursement in the probate case against the Albrecht Estate. These claims are disputed by the Albrecht Estate.

- a. Recommendation is to deny this Claim (No. 71) for Unpaid Rents unless and until a broader discussion is possible on money that is owed between ACI, the Albrecht Estate and Spirit.**
3. **Attorneys' Fees.** The Albrecht Estate is asserting that it had to incur substantial legal fees to seek the appointment of a receiver to protect the value of Spirit from degradation and waste due to a deadlocked board of managers, due to the breach of fiduciary duty by the company. A company does not owe fiduciary duties to its members, so this Claim should be denied.
  - a. Recommendation is to deny this Claim (No. 72) for attorneys' fees and costs.**
4. **Indemnification (Kristen Albrecht).** This Claim was widely discussed and also brought before the Court for determination by the Receiver's Motion, filed on or around August 25, 2025, on sending a letter regarding indemnification for Kristen Albrecht. The Court issued an Order on November 6, 2025 refusing to Order the Receiver to send any such letter recognizing Kristen Albrecht's right to indemnification.

Ms. Albrecht's counsel sought for and has reportedly obtained approval for indemnification through Spirit's Directors and Officers Insurance policy. Since the Receiver was recently told that the indemnification claim was approved. The Receiver has been informed by Ms. Albrecht's counsel that insurance is going to appoint a new defense counsel to represent Kristen Albrecht in this matter moving forward and also that Holland and Hart may still be owed money for legal fees in previously representing Kristen Albrecht. Based on lack of current information, the Receiver recommends denial at this time.

- a. Recommendation is to deny this Claim (No. 73) for indemnification against Spirit at this time due to lack of current information.**

5. **Indemnification (Alan Butterfield)**. Alan Butterfield claims that Spirit has failed to authorize and provide him the indemnification to which he claims he is entitled by virtue of Plaintiffs' claims asserted against him in this Court on July 29, 2024, as amended.
  - a. **Recommendation is to deny this Claim (No. 75) because Spirit provided Mr. Butterfield with all the documentation he needed to submit a claim for insurance coverage for indemnification, just as Ms. Albrecht did.**
6. **Wrongful Termination**. Aryell Mattern was a long-time twenty-year employee of Spirit who was terminated for cause on September 11, 2024. Ms. Mattern asserts many claims for damages in conjunction with her termination in a lengthy 141-page tome fully prepared (but not filed) complaint and jury demand that was provided in conjunction with the Claim filed against Spirit. Ms. Mattern is represented by counsel in relation to her claim whom the Receiver and Spirit have been in communication with during its appointment. To support her termination, Spirit engaged outside counsel at Frost Brown Todd to investigate and prepare a report on the validity and appropriateness of Spirit's Board's termination of Ms. Mattern for cause. Frost Brown Todd recommended her termination.

The Receiver has conducted research on this situation. The complaint prepared by Ms. Mattern's lawyer speaks for itself, and the full Claim is available for review to all parties and this Court in the provided DropBox share file link in conjunction with the Receiver's Special Report.

  - a. **Recommendation is to deny Ms. Matter's Claims (No. 74) against Spirit for the reasons detailed in the Frost Brown Todd.**
7. **Contract Termination**. Alan Butterfield asserts in this Claim, first, that this is a post-appointment Claim, and second, that as a result of its conduct, by and through the Receiver, Spirit has breached the Settlement Agreement and Manager Contract and have caused substantial injury and damages to Butterfield. As a result of its conduct, Spirit's Receiver has breached the Settlement Agreement and Manager Contract and have caused substantial injury and damages to Butterfield.
  - a. **Recommendation is to deny the Claim (No. 76) for breach of the Settlement Agreement and Manager Contract. It is stated by Mr. Butterfield that this is a post-appointment Claim.**

8. External Third-Party Claim for Breach of Contract. Rev-Edge was a service provider to Willco XI's hotel. The new buyer of the hotel elected not to continue to utilize the services of Rev-Edge. In doing so, Rev Edge is asserting that Spirit is responsible for the remainder of the contract.

The claims was written as follows: In June of 2025, Rev-Edge was made aware of the sale of Willco XI Development LLLP by Spirit. At no point was Rev-Edge contacted or put on notice by Spirit that the services agreed to under the Agreement were to no longer be rendered by Rev-Edge for the aforementioned property. The last payment Rev-Edge received from Spirit we e for services rendered in May 2025. Therefore, payment in the amount of \$1,650.00 is due for the 14 months that were agreed to under the Term, making the full amount owed a total of \$23,100.00. Rev Edge states in its claim that the claim is post appointment.

**a. Recommendation is to Deny this claim against Spirit. This claim is a post-appointment claim and not part of this claims process.**

# Spirit Hospitality, LLC

Spirit Hospitality, LLC							
No.	Claimant Party	Total Claim Submitted	Claim Type / Recommendation	Total Proposed Adjusted Claim	Submitted By	Claimant Counsel	Claimant Notes
70	Rev-Edge, LLC	\$23,100.00	Breach of Contract: (\$23,100) Deny.	<b>\$0.00</b>	Sebastian Daniel Villegas	n/a	*Post-ppointment Claim
71	Albrecht Companies, Inc. (ACI)	\$65,619.90	Unpaid Rents: (\$65,619.90) Deny.	<b>\$0.00</b>	Marcie McMinimee	Schwartz McMinimee & Andrew, LLC	15 months of Rent for 4836 S. College
72	The Estate of W.G. Albrecht	\$503,939.78	Attorneys' Fees: (\$503,939.78) Deny.	<b>\$0.00</b>	Marcie McMinimee	Schwartz McMinimee & Andrew, LLC	\$461,238.54 (H&H fees) + \$42,701.24 (H,M&F PC) "as of Nov 4"
73	Ms. Kristen M. Albrecht	\$1,000,000.00	Indemnification: (\$1M+) Deny.	<b>\$0.00</b>	Matthew J. Smith, Esq.	Holland & Hart 555 17th Street, # 3200 Denver, CO 80202	Indemnification, H&H fees
74	Aryell Mattern	\$100,000.00	Lost Wages: Deny.	<b>\$0.00</b>	Lee Christian, Esq.	Lee E. Christian, PC 415 Mason Court, Building 2 Fort Collins, CO	Lost wages and benefits, denied bonuses, penalties/interest, attorney's fees and punitive damages / AND emotional distress
75	Alan Butterfield (no 1)	Did Not Specify	Indemnification: (DNS) Deny.	<b>\$0.00</b>	Nick DeWeese, Esq.	Venable, LLC Peter Koclanes Nick DeWeese 1144 15th Street, #3600 Denver, CO 80202	Indemnification Attorneys' fees in lawsuit
76	Alan Butterfield (no 12)	\$864,000.00	Contract Termination: (\$864,000) Deny.	<b>\$0.00</b>	Nick DeWeese, Esq.	Venable, LLC Peter Koclanes Nick DeWeese 1144 15th Street, #3600 Denver, CO 80202	Termination of AB Employment Contract Post-Appointment Claim
Total Claims Submitted		\$2,556,659.68	Total Proposed Adjusted Claims	<b>\$0.00</b>			

## **WILLCO ENTITY CLAIMS SUMMARY**

<b>ENTITY</b>	<b>TOTAL CLAIMS SUBMITTED</b>	<b>TOTAL PROPOSED ADJUSTED CLAIMS</b>	<b>DIFFERENCE</b>
<b>WILLCO IV</b>	\$742.63	\$0.00	(\$742.63)
<b>WILLCO V</b>	\$3,241.70	\$0.00	(\$3,241.70)
<b>WILLCO VI</b>	\$2,576.00	\$0.00	(\$2,576.00)
<b>WILLCO VII</b>	\$1,463,567.08	\$0.00	(\$1,463,567.08)
<b>WILLCO VIII</b>	\$266,164.73	\$0.00	(\$266,164.73)
<b>WILLCO X</b>	\$9,915,753.04	\$4,240,000.00	(\$5,675,753.04)
<b>WILLCO XI</b>	\$1,193,620.22	\$0.00	(\$1,193,620.22)
<b>WILLCO XII</b>	\$2,398,716.92	\$1,440,000.00	(\$958,716.92)
<b>WILLCO XIV</b>	\$1,207,395.02	\$802,674.18	(\$404,720.84)
<b>WILLCO XV</b>	\$5,834,218.64	\$3,660,000.00	(\$2,174,218.64)
<b>Spirit Hospitality, LLC</b>	\$2,556,659.68	\$0.00	(\$2,556,659.68)
<b>TOTALS</b>	<b>\$24,842,655.65</b>	<b>\$10,142,674.18</b>	<b>(\$14,699,981.47)</b>

## **Receivership Pre-Appointment Claims Process** *Demonstrative Summary*

**Court Approval & Notice**  
DATE FILED  
May 9, 2025 3:20 PM  
FILING ID: E9566A848E804  
CASE NUMBER: 2024CV30653

Receiver seeks Court approval of an equitable “pre-appointment” claims process.

Upon approval:

- Notice is sent to all known potential creditors and claimants.
- Notice is also published publicly.
- A uniform court-approved Claim Form is provided, specifying a bar date (recommended to be 90 days from the date of notice).

(This process does not apply to claims generated by post-appointment conduct—those are handled by standard motions practice.)



### **Claim Submission**

Claimants submit Proof of Claim forms under oath to the Receiver.

Submissions must include:

- The amount of the claim;
- The basis of the claim;
- The claimed priority (e.g., secured, unsecured, or priority);
- All supporting documentation.
- Deadline: Claims must be submitted before the bar date.



### **Receiver Review**

The Receiver reviews all claims for:

- Facial validity;
- Documentation;
- Classification (secured / unsecured / priority).
- The Receiver may request additional documentation if needed.
- Review timeline: Recommended 60 days following the bar date.



## Claims Report Filed

The Receiver files its recommendations to the Court, regarding which claims should be:

- Allowed;
- Partially allowed;
- Disallowed.
- Timeline: Recommended 60 days after the bar date.



## Objections

If someone disagrees with a claim recommendation, they can raise an objection:

- A **person who filed a claim** can object if their own claim is recommended to be reduced or denied.
- A **person with a claim of equal or lower priority** can object to another claim at the same or higher level.
  - For example: A person with a **secured claim** can object to another secured claim, but **not** to an unsecured claim.
  - A person who **owns part of the company** (an equity holder) can object to any claim.

Deadline to object: 30 days after the claims report is filed.



## Discovery

If there are objections or disputes, the Court may allow discovery.

This typically includes:

- Limited document requests;
- Limited depositions;
- No interrogatories or requests for admission.

Discovery period: Recommended 90 days.



## **Hearing**

After discovery is complete, the Court may schedule hearings on disputed claims. These are bench hearings (no jury).

The Court will then issue:

- One or more Orders determining the amount and priority of each claim.

Timeline: Depends on the Court's calendar.



## **Distribution Plan & Payment**

After the Court determines all allowed claims:

- The Receiver submits a Distribution Plan showing the “waterfall” of payments.
- Absolute Priority Rule is generally followed, meaning all secured claims are paid before any unsecured claims, and all unsecured claims are paid before any distribution to equity, etc.
- If the Court approves the plan, the Receiver distributes available assets accordingly.
- Timeline: Depends on the complexity of the plan and available assets.



## **FINAL REPORT & DISCHARGE**

The Receiver submits a Final Accounting and Report.

If the Court is satisfied:

- The claims process is Ordered complete.
- If timing is appropriate, and no other administration is necessary,
- The Receivership may be terminated
- The Receiver is discharged if termination is appropriate.