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UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

Caption in Compliance with D.N.J. LBR 9004-1(b)

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In re:	Chapter 11
CBRM REALTY INC., et al.,	Case No. 25-15343 (MBK)
Debtors.	(Jointly Administered)

FIRST REPORT OF CREDITOR RECOVERY TRUSTEE

RLA Consulting LLC, in its capacity as Trustee of the Creditor Recovery Trust (the "**Trust**") for CBRM Realty Inc. and Crown Capital Holdings, LLC (the "**Trustee**"), by and through its undersigned counsel, respectfully submits this first report pursuant to Section 4.13 of the Creditor Recovery Trust Agreement (the "**Trust Agreement**"):

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Background

3. On May 19, 2025, CBRM Realty Inc. and affiliated debtors (collectively, the "**Debtors**") filed voluntary petitions for relief under Chapter 11 of the United States Bankruptcy Code.

4. On September 5, 2025, the Court entered an order (the "**CBRM Confirmation Order**") confirming the Amended Joint Chapter 11 Plan of CBRM Realty Inc. and Certain of Its Debtor Affiliates (With Technical Modifications) (the "**CBRM Plan**"). The CBRM Plan became effective on November 12, 2025 (the "**CBRM Effective Date**").

5. On October 23, 2025, the Court entered an order (the "**Crown Capital Confirmation Order**") confirming the Modified Joint Chapter 11 Plan of Crown Capital Holdings LLC and Certain of Its Debtor Affiliates (the "**Crown Capital Plan**" and together with the CBRM Plan, the "**Plans**"). The Crown Capital Plan became effective on January 9, 2026.

Actions Taken During the Reporting Period

6. This Report covers the period from the CBRM Effective Date until June 30, 2026 (the "**Reporting Period**"), and also describes certain material events that occurred after the Reporting Period. The next Report will be filed within 45 days of the end of the quarter ending September 30, 2026 in accordance with the Trust Agreement.

Trust Funding

7. The Plans provided for $1,443,734.00 of cash funding to the Trust to pursue recoveries on behalf of creditors, consisting of $443,734 under the CBRM Plan and $1,000,000 under the Crown Capital Plan. On the CBRM Effective Date, however, the Debtors funded only $200,000 of the initial $443,734 funding required under the CBRM Plan. On November 25, 2025, the Debtors filed a Notice stating that the costs incurred by White & Case prior to the CBRM Effective Date in connection with the development and investigation of Claims and Causes of

Action significantly exceeded the anticipated funding amount of $1,443,734.00 for the Trust. The Trustee disputed that White & Case was entitled to withhold funding from the Trust.

8. On January 29, 2026, the parties agreed to participate in mediation with the Honorable Jerrold N. Poslusny, Jr. of the U.S. Bankruptcy Court, District of New Jersey.

9. After motion practice, on March 18, 2026, the Trustee resigned as Wind-Down Officer, and on April 10, 2026 the Court entered an Order [Doc. No. 786] (the "**April 10 Order**") appointing Elizabeth LaPuma as Wind-Down Officer, releasing $290,000 of the Trust's initial funding to fund the wind-down, and permitting the Debtors' professionals and the Independent Fiduciary to seek reimbursement of up to $250,000 from the Trust's initial funding solely with respect to fees and expenses incurred in connection with the pre-confirmation development and investigation of claims and causes of action held by the Debtors or their estates to be pursued for the benefit of creditors. The April 10 Order also directed the release of $683,000 to the Trust.

10. The Trust has therefore received $883,000 of the $1,443,734 contemplated by the Plans, being the $200,000 funded on the CBRM Effective Date and the $683,000 released under the April 10 Order. The $560,734 difference consists of the $290,000 released to fund the wind-down, the up to $250,000 made available to the Debtors' professionals and the Independent Fiduciary, and $20,734 for the payment of insurance premiums paid prior to the CBRM Effective Date.

11. On August 10, 2026, CBRM Realty Inc., acting at the direction of the Wind-Down Officer, filed a motion against the Trust [Doc. No. 850] concerning, among other things, the incentive compensation of the Trustee. On September 17, 2026, the Court ruled that the Trustee's incentive fee compensation may be treated as an antecedent Creditor Recovery Trust expense and paid prior to satisfaction of administrative claims. However, the Court also ruled that the incentive

compensation could only be paid from the initial Trust funding absent further order of the Court. The Trust is currently assessing the impact of the September 17 Order.

12. The following table shows the Trust's receipts and disbursements as of the most recent reporting dates. The Trust intends to update its receipts and disbursements as of the reporting date in future Reports.

Quarter Ended	Receipts	Disbursements
December 31, 2025	$200,000.00	$16,531.20
March 31, 2026		$80,211.24
June 30, 2026	$683,000.00	$200,909.28
Total	$883,000.00	$297,651.72
Remaining Balance As of June 30, 2026	$585,348.28	

13. The disbursements above are payments made to the Trustee and the Trust's professionals.

14. To date, the Trustee has also collected $20,708.81 with respect to settlement of pre-petition litigation brought against various subsidiaries of CBRM that is not reflected above. The funds are held in an account separate from the Trust's operating funds and will be administered in accordance with the Plans, the Trust Agreement, and any further order of the Court.

The Investigation to Date

15. The Trustee's investigation began without the benefit of any books and records. The Trustee, therefore, has diligently spent the last 10 months reconstructing the Debtors' financial affairs from third parties. The Trustee has issued Rule 2004 subpoenas to seventy-four (74) recipients, of which sixty-four (64) have been served, including banks, brokers, accountants, appraisers, attorneys, the placement agent, the rating agency, transaction counsel, the transfer

agent, regulators, lenders, contractors, title agents and transferees. The Trustee has received in excess of 12,800 files, exceeding forty-five (45) gigabytes, from seven groups of producing parties, and has built from scratch a consolidated transaction log of more than 207,875 transactions across 190 accounts and an index of 223 Debtor and affiliate accounts.

16. That work has identified a recurring pattern: Moshe (Mark) Silber ("**Mr. Silber**"), the Debtors' former owner, treated the Debtors' funds as his own. To date, the Trustee has identified more than $45 million in direct and indirect cash transfers from the Debtors to accounts held in Mr. Silber's name during 2022–2024, including transfers routed through construction affiliates to Mr. Silber personally. CBRM Realty Inc.'s Forms 1120-S report a "Loans to shareholders" balance of $95,988,296 at December 31, 2022; the relationship between that reported balance and the cash transfers the Trustee has identified is among the matters under investigation. In addition, the Debtors' tax returns report $94,572,658 of distributions to Mr. Silber over two years. The Trustee has not reconciled the cash records to the distributions reported on the returns, and its investigation of that question is ongoing.

17. The record assembled to date indicates that Mr. Silber also used Debtor funds to acquire assets held in entities for his own personal benefit, while representing many of those assets to bondholders as belonging to the Debtors. These expenditures included the acquisition and capitalization of Vecta Bank, multiple real estate properties, private jets, and a luxury yacht. The Trustee has also identified approximately $13.8 million in payments to American Express by the Debtors and their affiliates during 2022–2024, including payments on card accounts carried in the name of Mr. Silber's wife, Miriam Mizrachi, and is investigating the extent to which those payments funded personal rather than legitimate business expenses.

18. The Trustee's investigation is ongoing, and the Trustee reserves the right to amend, supplement or correct any statement herein as the record develops.

Vecta Bank and Mr. Silber's Personal Bankruptcy

19. Based on the Trustee's investigation to date, CBRM paid $21,196,044.50 of its own funds to acquire and capitalize Sunnyside Bancorp, Inc., now Vecta, Inc. (the "**Bank**"). The acquisition was purportedly made through an affiliate of Mr. Silber, and a portion of the affiliate's interest was subsequently purportedly transferred to Mr. Silber's wife. The Debtors' accountants carried the Bank on CBRM's books as a CBRM asset, and the Bank was presented to the bondholders who financed the portfolio as an asset of CBRM.

20. On September 19, 2025, Mr. Silber filed a voluntary petition under Chapter 7 of the Bankruptcy Code. The case was transferred to the Bankruptcy Court that oversees the Debtors cases and is pending before Chief Judge Kaplan as Case No. 25-21650 (MBK). Karen E. Bezner was appointed chapter 7 trustee on November 3, 2025 (the "**Chapter 7 Trustee**").

21. The Chapter 7 Trustee asserts a competing claim to the same ownership interests in the Bank claimed by the Trust.

22. The Trustee intends to vigorously pursue the Trust's claims with respect to the interests in the Bank.

Other Potential Claims of the Trustee and Recoveries to Date

23. On September 16, 2026, the Trustee filed a Motion to Compel Mr. Silber's wife, Miriam Mizrachi, to comply with the Trustee's Rule 2004 subpoena [Doc. No. 857]. The Motion outlines the investigation and other potential sources of recovery and can be found at https://veritaglobal.net/cbrm/document/list/6317.

24. There can be no assurance that the Trustee will be successful in its efforts to recover assets for the benefit of creditors.

Tax Matters

25. As set forth in the Plan and Trust Agreement, the Trust is treated as a grantor trust under sections 671 through 679 of the Internal Revenue Code, and the Trustee accordingly files returns for the Trust under Treasury Regulations section 1.671-4(a) and provides Beneficiaries with an annual statement of their allocable items of income, gain, loss, deduction and credit. The Trust's 2025 federal and New York returns will be filed on or before their extended due date of September 30, 2026; because there were no reportable items of income, gain, loss, deduction or credit for 2025, no Schedules K-1 or grantor statements will be issued for that year.

Dated: September 24, 2026

Respectfully submitted,

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