

After Foreclosure Assets

Powered By  MILAN CM

NAME _____

COPY NO. _____

CONFIDENTIAL · 2026

Due Diligence Packet

The opportunity, the process, the record, the terms and the risks of purchasing confirmed surplus equity claims.

OPERATED BY

Milan CM LLC
Governing law: Delaware

CONTACT

620 Newport Center Drive, Newport Beach, CA 92660
ir@milancm.com
Distributed team of attorneys, analysts, acquisition specialists and operators nationwide

Important Notice

This Confidential Due Diligence Packet (the “Packet”) is provided to selected prospective purchasers (the “Recipients”) on a strictly confidential basis, for the sole purpose of evaluating the purchase of after foreclosure assets (the “Assets”) from Milan CM LLC (the “Firm”). The Firm acquires and recovers after foreclosure assets, including surplus equity claims, through its proprietary operating framework.

By accepting this Packet, Recipients agree to keep it confidential. Recipients may not reproduce, disclose or distribute this Packet or any of its contents, in whole or in part, to any third party without the prior written consent of the Firm’s management. Unauthorized use or disclosure may result in legal action and significant harm to the Firm, its operations and its affiliates.

This Packet contains forward-looking statements that reflect the Firm’s current views and assumptions about future performance. These statements are subject to risks and uncertainties, many of which are beyond the Firm’s control, and actual results may differ materially. The Firm has no obligation to update or revise any forward-looking statement, whether as a result of new information, future developments or otherwise.

The Firm disclaims any liability for decisions made or actions taken by Recipients based on this Packet. Although the Firm has made every effort to ensure that the information is accurate and reliable, it makes no representation or warranty, express or implied, as to its completeness or accuracy.

This Packet is a general overview of the Firm and its operations. It is not a comprehensive analysis and does not replace advice from qualified professionals. Any reliance on the information in this Packet is at the Recipient’s own risk.

This Packet does not constitute an offer to sell, or the solicitation of an offer to buy, securities in any jurisdiction where such an offer or solicitation would be unlawful or unauthorized. Any purchase involves substantial risks, which are described in Section 07, Risks and Safeguards. Prospective purchasers should conduct their own due diligence, consult their legal and financial advisors and read this Packet in its entirety before making a purchase decision.

EXECUTIVE LETTER

FROM

Bryce Gardner, Executive
Director of Private
Markets

A Letter to Investors

Dear Investor,

When we first set out to raise capital, we did what most firms do. We sat down with attorneys and weighed the conventional structures, including a Regulation D 506(c) offering, against the many alternatives. Every path led to the same place: more documents, more disclosures and more distance between the investor and the asset.

We drafted the private placement memorandum anyway: more than 150 pages of disclaimers, risk factors and legal boilerplate. It was the standard approach, but it did not answer the questions investors actually ask:

- What exactly am I buying?
- How does it work?
- When am I paid?

So we built a direct structure. Instead of pooled capital with multi-year lockups, each investor purchases a beneficial interest in specific claims that a court or trustee has already confirmed, under a Purchase and Sales Agreement.

- You are not investing in a blind pool.
- You are not waiting years for management to deploy capital.
- You are purchasing specific, confirmed claims in an overlooked market.

WHERE WE OPERATE

Milan CM is based in Newport Beach, California. Our team is a distributed network of attorneys, analysts, acquisition specialists and operators working across the country, because after foreclosure assets are a national opportunity.

This Packet is long on purpose. By the end, you will understand the size of the opportunity and why it is overlooked, how our process works, the proof behind it and the terms, along with the risks and how we manage them.

Questions are the mark of a thorough investor, and we welcome every one of them. Thank you for your time.

Bryce Gardner

Executive Director of Private Markets

Contents

01	Executive overview
02	The opportunity: market context
03	Case studies
04	The process: how your claim works
05	Track record
06	Terms and structure
07	Risks and safeguards
08	Management and governance
09	Use of proceeds
10	County resources
11	Glossary

KEY POINTS

- Surplus equity is real money held by courts, trustees and counties, and it is documented in public records.
- The Firm buys the former owner's rights outright, then recovers each claim through its attorneys.
- Investors purchase only claims that a court or trustee has already confirmed.
- Current packages typically state a 14% return, and it varies by package.

01

OVERVIEW

NO LOCKUP

Each Purchase and Sales Agreement is a standalone transaction.

Executive Overview

Exhibit 1: Terms at a glance

TERM	DETAIL
Minimum purchase	\$10,000
Maximum purchase	\$2,000,000
Transaction fee	\$300 to \$1,000 per purchase
Stated return	Current packages typically state a 14% return, and it varies by package. Each package's return is set in its Purchase and Sales Agreement.
Cycle timeline	8 to 12 weeks is typical from signing to payout
Lockup period	None. Each agreement is a standalone transaction.
Tax reporting	Form 1099, if required. Because this is a purchase, reporting may differ from a fund's Schedule K-1. Consult your tax advisor.
Entity	Milan CM LLC

WHY THE STRUCTURE MATTERS

Many investments are slow, complex or opaque. Real estate funds can tie up capital for five to seven years. Venture funds depend on a small number of outcomes. Bonds may barely keep pace with inflation. The direct purchase structure is built differently:

- **Short cycle.** Weeks, not years.
- **Specific.** You purchase an interest in identified, confirmed claims.
- **Transparent.** Every claim offered has already been filed, validated and confirmed.
- **Consistent.** Every agreement to date has paid as agreed.

THE STRUCTURE

INVESTOR PROTECTION

Released funds pass through an attorney's IOLTA trust account.

The Purchase and Sales Agreement

Traditional funds rely on long offering documents and multi-year structures. Investors receive more than 100 pages of fine print but little clarity on what they own. The Purchase and Sales Agreement takes the opposite approach.

- **Direct.** You purchase a beneficial interest in specific, confirmed claims.
- **Confirmed.** The claims have already been filed and confirmed by the trustee or court.
- **Simple.** One agreement, one tranche, one payout cycle.
- **Protected.** Released funds pass through an attorney's IOLTA trust account.

Exhibit 2: A pooled fund compared with a direct purchase

FEATURE	TRADITIONAL FUND	DIRECT PURCHASE (MILAN CM)
What you own	A share of a blind pool	An interest in specific, confirmed claims
Holding period	1 to 7 years, locked up	8 to 12 weeks typical, no lockup
Documentation	Offering memorandum and subscription documents, often 100+ pages	One Purchase and Sales Agreement
Tax reporting	Schedule K-1, often delayed	Form 1099, if required
Return	Varies by fund	Current packages typically state 14%; varies by package

The direct purchase structure is not a shortcut. It is a contract designed to give investors clarity about exactly what they own.

02

THE OPPORTUNITY

IN BRIEF

81% of homeowners in active foreclosure held at least 10% equity (CFPB, 2023).

Billions in Unclaimed Surplus Equity

Every year, billions of dollars in surplus equity go unclaimed across the United States. Counties and trustees usually call it “surplus funds” or “excess proceeds.”

These balances result from foreclosure auctions, sheriff’s sales and tax deed sales in which a property sells for more than the debt owed. The excess belongs to the former owner or lien holders by law. In practice, much of it is never claimed.

- Florida counties publish surplus balances that run to the millions of dollars in a single county.
- Maricopa County, Arizona, publishes a detailed excess proceeds list, with individual balances from a few hundred dollars to more than \$1.5 million.
- Estimates from high-transparency jurisdictions suggest \$5 to \$8 billion in unclaimed surplus nationally, with new surplus generated every year. These estimates are directional.

This is not a projection. It is documented in public records.

WHERE THE FIRM OPERATES

The foreclosure market has three stages: pre-foreclosure, the auction and post-foreclosure. The Milan CM After Foreclosure Assets Division focuses only on the post-foreclosure stage, after the property has sold. It faces less competition than the earlier stages.

Foreclosure activity is rising. In November 2025, filings reached 35,651, up 21% from a year earlier, the ninth consecutive month of growth (ATTOM Data Solutions). Higher interest rates and inflation continue to pressure leveraged households, which adds to the supply of after foreclosure assets.

Sources: Consumer Financial Protection Bureau (January 2023, citing Black Knight data); ATTOM Data Solutions, U.S. Foreclosure Market Report (November 2025); Milan CM, After Foreclosure Assets: The Institutionalization of Surplus Equity (December 2025).

PUBLIC RECORDS

GROWTH IN ONE
COUNTY

Marion County's reported surplus balance grew from \$4.53 million to \$5.96 million in under eight months of 2025.

The Money Is in Public Records

Exhibit 3: Marion County, Florida, tax deeds surplus funds report

Report run January 3, 2025. Sale numbers and parcel numbers are public record.

SALE NUMBER	SALE DATE	PARCEL NUMBER	CURRENT BALANCE
296020	2024-11-13	9009-0069-34	\$19,348.81
296022	2024-11-13	9009-0059-05	\$81,607.27
296023	2024-11-13	9017-0288-11	\$21,800.25
296024	2024-11-13	9017-0289-25	\$21,455.07
296028	2024-11-13	9024-0561-10	\$21,693.12
296030	2024-11-13	9026-0691-16	\$20,475.22
Report total, January 3, 2025			\$4,530,910.06
Report total, August 22, 2025			\$5,955,895.66

Source: Marion County Clerk of Court, Tax Deeds Surplus Funds Report. Excerpt shows selected lines.

Exhibit 4: Other public sources

Investors can search these lists directly.

COUNTY	WHAT IS PUBLISHED
Sarasota County, FL	Tax deed case list with a surplus balance for each case; 227 cases listed at the time of review
Maricopa County, AZ	Treasurer's excess proceeds list from trustee sales, with the amount received, case balance and civil action number for each case. Funds received before July 1, 2023 and not on the list have been forwarded to the State of Arizona.

Sources: Sarasota County Clerk (RealTDM tax deed search); Maricopa County Treasurer, Excess Proceeds. Links in Section 10.

WHY IT SITS

THE PATTERN

Confusion, lack of awareness and deadlines keep the money in custody.

Why Owners Don't Claim

If these funds are real and legally theirs, why don't owners claim them?

CONFUSION

Each county has its own forms, processes and deadlines. To the average former homeowner, these procedures are hard to navigate.

LACK OF AWARENESS

When people lose a property to foreclosure, they assume they have lost everything. Very few realize that money may still be owed to them.

DEADLINES

Many jurisdictions set deadlines, often one year, after which unclaimed balances transfer to the county or state. The result is billions of dollars held in court and county accounts, waiting for someone to act.

THE GAP

TYPICAL CLAIM

\$50,000 to \$250,000.

The Institutional Blind Spot

If the market is this large, why haven't hedge funds, private equity firms and institutional investors taken it over?

- **Too small per deal.** The Firm's claims typically range from \$50,000 to \$250,000. Institutions built to deploy capital in the billions cannot do so efficiently at this size.
- **Too specialized.** Each claim requires court filings, legal work and case-by-case effort. It cannot be automated the way large institutions prefer.
- **Too fragmented.** There are more than 3,000 counties in the United States, each with its own rules, and no standardized system for claims.

Where large institutions see friction, the Firm sees a repeatable edge.

03

CASE STUDIES

REDACTED

Completed transactions.
Names and case numbers
withheld.

Case Studies

Exhibit 5: Three completed claims

HOUSTON, TX	SARASOTA, FL	MARICOPA COUNTY, AZ
\$128,000	\$92,500	\$236,400
Situation The owner had relocated and was unaware of the balance.	Situation The former owner was deceased, and the heirs were unaware.	Situation The owner was unaware of the surplus after a trustee sale.
Action Our acquisition team located the owner, executed the buyout, and our attorney administered the claim.	Action We traced the heirs through probate, executed the buyout, and our attorney filed the claim.	Action We secured the claim through a buyout, and our attorneys filed it.
Outcome The trustee released the funds, and the investor received a distribution within 10 weeks.	Outcome The county released the balance, and investors were paid within 8 weeks.	Outcome Investors received \$164,800 after 9 weeks, a 19% return on their purchase.

Exhibit 6: A sample claim, start to finish

CLAIM AMOUNT	INVESTOR ALLOCATION	PAYOUT	CYCLE
\$92,500	\$50,000	\$57,500	8 weeks

MILESTONE	DATE
Purchase and Sales Agreement signed	March 1
Trustee releases funds to the attorney's IOLTA account	April 20
Distribution to the investor	April 28

Packages purchased in the first months, before the track record was established, stated higher returns. Current packages typically state 14%. Past results do not guarantee future results.

04

THE PROCESS

BEFORE YOU BUY

Every claim offered has already been confirmed as existing surplus equity by the trustee or court.

How Your Claim Works

When you sign a Purchase and Sales Agreement, this is the exact sequence.

1. THE AGREEMENT IS SIGNED

- You secure your beneficial interest in specific, confirmed surplus equity claims.
- Your capital is committed to that tranche through the agreement.

2. THE AGREEMENT GOES TO THE ATTORNEY

- The executed agreement is delivered to our attorney of record.
- This formally transfers the ownership rights in the tranche and lets the attorney administer the distribution correctly.
- From this point on, the claim's proceeds are legally tied to your agreement.

3. THE TRUSTEE RELEASES THE FUNDS

- When the trustee disburses, the funds go to the attorney-managed IOLTA trust account.
- This keeps the proceeds segregated and under the attorney's professional oversight.

4. YOU ARE PAID

- The attorney disburses the proceeds to Milan CM LLC.
- Milan CM LLC deposits your proceeds into your account on the platform.
- The typical cycle is 8 to 12 weeks from signing to payout.

FLOW OF FUNDS

WHERE THE INVESTOR ENTERS

At step 6, after a court or trustee has confirmed the claim.

How the Money Moves

The path of one surplus equity claim, from the auction to the investor. Every dollar is held by a named custodian at every stage, and every movement is documented by a court, trustee or county record.

Exhibit 7: Flow of funds in an after foreclosure asset

Illustrative example: a \$300,000 foreclosure sale against \$200,000 of debt

HELD BY THE SALE	1	The auction The property sells at a judicial or trustee foreclosure sale.	\$300,000 SALE PRICE
	2	The debt is satisfied Senior debt and valid liens are paid in full from the sale proceeds.	\$200,000 TO THE LENDER
	3	The surplus is held The remainder is deposited with the clerk of court, trustee or county. By state law it belongs to the former owner.	\$100,000 HELD IN CUSTODY
PAID TO THE LENDER	4	The claim right is acquired Milan CM acquires the former owner's right to the surplus.	
	5	The claim is confirmed Milan CM's attorneys file the claim. The court or trustee confirms the surplus amount. Our attorneys work to have the claim released to us.	
HELD IN CUSTODY	6	The investor purchases The investor buys a beneficial interest in a package of confirmed claims, under a Purchase and Sales Agreement.	Purchase CAPITAL IN
	7	The disbursement The custodian releases the funds to Milan CM's attorneys. The proceeds are then deposited into the investor's account on the platform, per the agreement.	Payout PROCEEDS OUT
INVESTOR'S POSITION			

WHY THE ASSET EXISTS

Foreclosure no longer implies negative equity. A January 2023 CFPB analysis found 81% of homeowners in active foreclosure held at least 10% equity. When the sale exceeds the debt, the difference is surplus equity, and much of it is never claimed.

WHY THE INVESTOR ENTERS LATE

The investor buys after the claim is confirmed (steps 5 to 6). The legal work and most of the waiting happen before the purchase. Timing to disbursement depends on the court or trustee's administrative processing.

WHAT THE AGREEMENT SETS

Each package has its own stated asset value and purchase price, written into its Purchase and Sales Agreement. Current packages typically state a 14% return, and it varies by package.

Figures are illustrative and do not describe a specific transaction. Source: Consumer Financial Protection Bureau (January 2023, citing Black Knight data).

THE EVIDENCE

OUR AFFILIATE

Claims are acquired and recovered through Rockwell CP LLC, Milan CM's acquisition affiliate. Documents and checks carry its name.

What Confirmation Looks Like

Before a claim is offered, the trustee or court confirms it in writing. This is a trustee's accounting from a Texas claim, as of the sale date.

Exhibit 8: A trustee's accounting as of the sale date

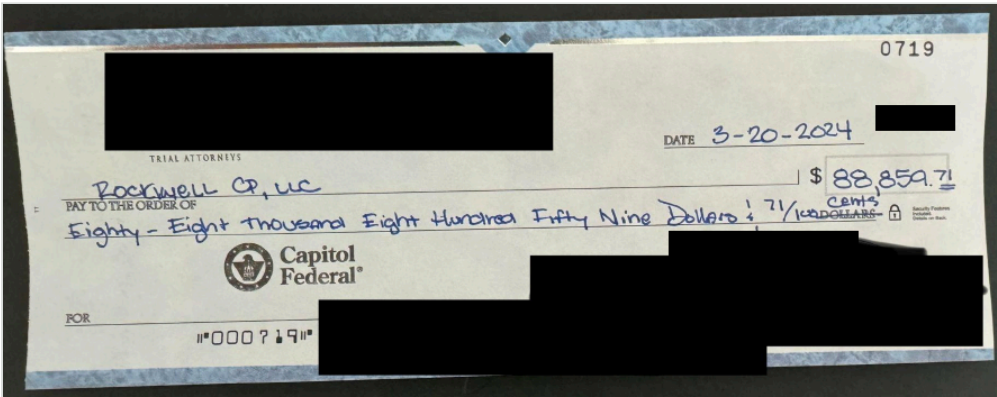
From a trustee's written confirmation. Names redacted.

LINE ITEM	AMOUNT
Net sale price	\$191,000.00
Loan payoff	(\$87,662.79)
Trustee fee	(\$4,775.00)
Balance as of sale date (surplus)	\$98,562.21

Source: trustee confirmation email. Before release, the trustee also reviews title for junior liens and outstanding HOA assessments, which can reduce the final amount.

Exhibit 9: A disbursement check from the trustee's attorneys

\$88,859.71, dated March 20, 2024. Account details and names redacted.



Each completed claim also produces a closing report confirming the amount received and the masked case reference. Redacted closing reports are available on request.

05

TRACK RECORD

ON RETURNS

Packages purchased in the first months, before this record existed, stated higher returns. Current packages typically state 14%.

Track Record

Every confirmed claim offered through the Firm has paid out as agreed. These results come from completed Purchase and Sales Agreements.

100%	8–12	17	126
PAID OUT TO DATE	WEEKS TYPICAL	FASTEST, DAYS	LONGEST, DAYS

Exhibit 10: Completed claims by time to completion

Number of claims completed, in selected completion-time ranges

Under 30 days		53
8 to 12 weeks		1,041
Over 120 days		6

Source: Milan CM internal records. Not every claim is fast, but every confirmed claim has paid.

WHAT THE RECORD SHOWS

- **Confirmed first.** Claims are offered only after trustee or court confirmation.
- **Attorney-supervised.** Released funds pass through an attorney's IOLTA trust account.
- **Delivered.** Every agreement closed to date has paid out.

Surplus equity may be overlooked, but it is not unproven. It is a repeatable asset class with documented results and real payouts.

06

TERMS

NO MANAGEMENT FEES

The only charge beyond the purchase price is the transaction fee.

Terms and Structure

HOW A TRANCHE WORKS

- Investors commit capital to a specific, confirmed pool of four claims.
- The executed agreement is sent to the attorney of record, transferring the ownership rights.
- When the trustee disburses, the funds flow into the attorney's IOLTA trust account and then to the investor's account on the platform.
- Each tranche is independent. There is no cross-collateralization between tranches.

REINVESTMENT IS THE INVESTOR'S CHOICE

When a payout arrives, the investor decides whether to purchase a new package or keep the proceeds. There is no forced reinvestment, no lockup and no pooled commitment.

INVESTOR PROTECTIONS

- **IOLTA trust accounts.** Released funds pass through attorney-managed trust accounts, which are segregated and subject to state bar oversight.
- **Trustee confirmation.** Claims are confirmed by the court or trustee before they are offered, and investors see the confirming documents in advance.
- **Direct agreements.** Each investor signs an agreement for specific claims. There is no blind pool and no discretionary control.
- **No management fees.** There are no percentage-based fees. The only charge beyond the purchase price is the transaction fee of \$300 to \$1,000.

QUESTIONS

ASK US

Every question here came from an investor. Bring yours.

Common Investor Questions

What if a claim is delayed?

Delays can occur when a court or trustee takes longer to process a release. Most cycles take 8 to 12 weeks, but some have run to 16 weeks or longer; the longest on record is 126 days. Funds remain in custody until release, and investors receive regular updates.

What if I don't want to reinvest?

You don't have to. Each agreement is independent. When your cycle is complete, you can keep your payout.

What protects my purchase?

Unlike a speculative investment, a surplus equity balance already exists, and the trustee or court has confirmed it before the agreement is signed. Once ownership is transferred through the attorney, the proceeds are legally tied to your agreement. Your agreement also sets out how a shortfall is handled if the final disbursement is less than the stated value.

What does the transaction fee cover?

The fee of \$300 to \$1,000 covers attorney administration, filings and compliance for each purchase.

How is tax reporting handled?

Because an agreement is a purchase rather than an interest in a pooled fund, reporting generally falls under Form 1099 treatment, if required. In some cases no reporting applies. Consult your tax advisor.

Can I verify the claims myself?

Yes. County surplus lists are public (Section 10), and we will provide a county contact in any state we work in.

WHY THIS STRUCTURE MATTERS

- **From commitment to control.** Independent cycles instead of multi-year lockups.
- **From paperwork to clarity.** A short agreement instead of hundreds of pages of disclosures.
- **From manager-first to investor-first.** Transparency, choice and direct payouts instead of fees and discretion.

07

RISKS

THE NATURE OF THE RISK

Mostly procedural and timing-related, rather than market-based. It is not zero.

Risks and Safeguards

Every investment carries risk. Most of the risk in surplus equity is procedural rather than market-based: the balance already exists and has been confirmed. The main variables are process and timing.

Exhibit 11: Key risks and how the Firm addresses them

RISK	SAFEGUARD
Trustee delays. Courts or trustees can take longer than expected to release funds.	Conservative guidance of 8 to 12 weeks, and regular updates until disbursement.
Eligibility disputes. Lien holders, heirs or other parties may file competing claims.	Attorneys confirm eligibility and verify the chain of title. Claims are not offered until legal issues are resolved.
Procedural errors. Wrong forms, missed deadlines or incorrect filings.	All filings are handled by attorneys experienced in foreclosure and trustee processes. No agreement proceeds without legal oversight.
Fraud. Bad actors may attempt to file false claims.	Trustee confirmation and attorney IOLTA administration are designed to ensure that only valid claims are paid.
Timing. Funds may not be released within 8 to 12 weeks.	Investors are told up front that a cycle can run longer; the longest on record is 126 days.
Housing market. Property values fall.	Limited effect on confirmed claims: the surplus is cash already on deposit, and its value is not tied to property prices once a trustee holds it. A downturn can affect the supply of new claims.

RISK FACTORS

READ IN FULL

These risks apply to every purchase, whatever the package.

Risk Factors

RISK OF CAPITAL LOSS

As with any investment, purchasing after foreclosure assets carries the risk of losing some or all of the capital invested. Unforeseen circumstances, legal disputes or operational problems can reduce or delay recovery. Investors should purchase only with capital they can afford to have committed until disbursement.

FINAL AMOUNT

Junior liens, assessments, fees or competing claims identified before release can reduce the amount disbursed. The Purchase and Sales Agreement sets out how a shortfall is handled.

OPERATIONAL RISK

Recovery depends on the Firm, its affiliate and its attorneys performing their roles. Delays can arise from legal disputes over rights, regulatory obstacles or conditions specific to a claim. The Firm's results also depend on the experience and judgment of its management team, and the loss of key personnel could disrupt operations. The Firm relies on a network of attorneys and service providers to support continuity.

LEGAL AND REGULATORY RISK

State law, court procedure and fee rules can change. Foreclosure moratoriums, which are often enacted during economic downturns or public emergencies, can reduce the supply of new after foreclosure assets and change processing timelines. The Firm works across five states, monitors legislative and policy developments and adapts its acquisition strategy as rules change.

LIQUIDITY

There is no secondary market for a beneficial interest. Investors should expect to hold their interest until disbursement.

MARKET CONDITIONS

Broad economic conditions, interest rates and housing prices affect how many foreclosures produce a surplus and how large those surpluses are. These conditions affect the supply of future claims more than the value of claims already confirmed.

The Firm cannot eliminate these risks. By purchasing, investors acknowledge and accept them. Prospective investors should conduct their own due diligence and consult their legal, tax and financial advisors.

08

MANAGEMENT

ALIGNMENT

No management fees.
The Firm is paid when
investors are paid.

Management and Governance

OUR BACKGROUND

Milan Collateralized Markets turns underused, undervalued and overlooked after foreclosure assets into recoverable, documented ones. The Firm has developed proprietary tools to track and verify each claim through its lifecycle. Rather than pooling capital and locking it up for years, Milan CM created the direct Purchase and Sales Agreement model: specific and verifiable.

BRYCE GARDNER, EXECUTIVE DIRECTOR OF PRIVATE MARKETS

Bryce Gardner leads Milan CM’s private markets work: investor diligence, package allocation and reporting. A former government investigator, he brings an investigator’s discipline to every claim before it reaches an investor, and he connects confirmed claims with investors who want verified, documented assets.

TEAM

Milan CM uses a specialized, distributed operating model, placing experts where surplus equity opportunities arise.

ROLE	RESPONSIBILITY
Attorneys	Foreclosure law, trustee filings and IOLTA trust administration
Acquisition specialists	Sourcing and verifying surplus equity opportunities
Quantitative analysts	Modeling returns, tracking tranche performance and verifying cycles
Researchers and data specialists	Locating and validating surplus claims at the county level
Former title specialists	Resolving chain of title and ownership eligibility
Operators	Investor onboarding, agreement processing and closing reports

DATA PARTNERS

The Firm draws on national real estate data sources, including CoreLogic, ATTOM and LexisNexis, together with trustee and title services for chain-of-title verification and probate resolution.

ALIGNMENT WITH INVESTORS

- **No management fees.** No “2 and 20” structure.
- **No blind pools.** Each agreement is tied to specific, confirmed claims.
- **Direct oversight.** Released funds pass through attorney-managed trust accounts.

09

PROCEEDS

IN BRIEF

80% of proceeds go to acquiring confirmed claims.

Use of Proceeds

Each agreement is an independent transaction. Proceeds from package sales are typically deployed as follows.

Exhibit 12: Typical use of proceeds



Claim acquisition: purchase of confirmed surplus equity claims. Legal: preparation, assignment, probate work and trustee correspondence. Operations: research, verification, data and county fees. Administration: IOLTA account management, closing reports and investor payouts.

10

RESOURCES

VERIFY

Every list here is public and searchable.

County Resources

Public sources where investors can see surplus equity balances, usually listed as “surplus funds” or “excess proceeds”:

COUNTY	SOURCE
Marion County, FL	How to claim: marioncountyclerk.org/departments/records-recording/tax-deeds-and-lands-available-for-taxes/unclaimed-funds/ Surplus funds list: marioncountyclerk.org/uploads/2025/06/Copy-of-Tax-Deeds-Surplus-Funds-2025-06-06.pdf
Sarasota County, FL	Surplus funds list: sarasota.realtldm.com/public/cases/list (search “Balance Type”)
Maricopa County, AZ	Excess proceeds list: treasurer.maricopa.gov , Reports

11

GLOSSARY

TERMS

The words used in this Packet and in the Purchase and Sales Agreement.

Glossary of Terms

TERM	DEFINITION
Purchase and Sales Agreement (PSA)	The contract under which an investor purchases a beneficial interest in specific surplus equity claims.
Surplus equity	The funds remaining after a foreclosure sale pays the debt, confirmed and held by a trustee, court or county. Counties often call it “surplus funds” or “excess proceeds.”
IOLTA	Interest on Lawyers’ Trust Accounts: the regulated trust account attorneys use to hold client funds.
Tranche	A unit of investment tied to a specific pool of claims.
Closing report	The final report showing the claim reference, the investor’s allocation and the payout amount.
Reinvestment	The investor’s option to use a payout to purchase a new package.
Beneficial interest	The right to receive a share of the proceeds from a claim, as set out in the agreement.
Trustee confirmation	Written confirmation from a trustee or court that a claim is valid and the surplus is pending disbursement.

After Foreclosure Assets

Powered By  MILAN CM

Next Steps

Review the Purchase and Sales Agreement with your advisors, ask any question you have and request a county contact to verify the process yourself.

OPERATED BY

Milan CM LLC

OPERATING BASE

620 Newport Center Drive, Newport Beach, CA 92660

GOVERNING LAW

Delaware

INVESTOR RELATIONS

ir@milancm.com