2018 IL App (2d) 180049-U
No. 2-18-0049
Order filed November 13, 2018

IN THE

APPELLATE COURT OF ILLINOIS

SECOND DISTRICT

AMERICAN CHARTERED BANK,	)	Appeal from the Circuit Court
	)	of Du Page County.
Plaintiff,	)	
	)	
v.	)	No. 15-CH-704
	)	
WOODALE PROPERTIES,	)	
	)	
Defendant-Appellant	)	Honorable
	)	Bonnie M. Wheaton
(Daniel J. Hyman, Receiver-Appellee).	)	Judge, Presiding.

JUSTICE SPENCE delivered the judgment of the court.
Justices McLaren and Hutchinson concurred in the judgment.

ORDER

¶ 1 *Held*: The trial court did not err in approving the receiver's reports, in allowing him to bill his fees at a flat rate, or in allowing him to use a management company in which he had an ownership interest and an employment relationship. Therefore, we affirmed.

¶ 2 In this commercial foreclosure case, defendant, Woodale Properties, appeals the trial court's orders approving the eight reports of receiver Daniel J. Hyman. Defendant argues that the trial court abused its discretion in (1) approving the reports, because the amount and type of fees were unreasonable; (2) allowing the receiver to bill at a flat rate to which the parties never

agreed; and (3) allowing the receiver to use a management company with which he had a direct pecuniary and employment relationship. We affirm.

¶ 3 I. BACKGROUND

¶ 4 On April 13, 2015, American Chartered Bank (ACB) filed a complaint against defendant to foreclose a mortgage for commercial property. ACB alleged that the mortgage was in default as of December 28, 2014.

¶ 5 On July 8, 2015, ACB filed a petition to appoint a receiver. It alleged that: defendant owed it $1,677,674.94 plus other charges; the property, a sixteen-unit building, was being leased, and the rental value "may not exceed the payments due to" ACB; the rental income was not being used to pay ACB or the real estate taxes; the foreclosure sale of the property might not be adequate security for the mortgage indebtedness; the Illinois Mortgage Foreclosure Law (Foreclosure Law) (735 ILCS 5/15-1101 *et seq.* (West 2016)) and the mortgage itself allowed for the appointment of a receiver for the premises at the election of the mortgagee; and there was a likelihood that ACB would prevail on the merits of its foreclosure complaint. ACB requested that Hyman be appointed the receiver.

¶ 6 On August 21, 2015, defendant filed a response in opposition to ACB's petition to appoint a receiver. It argued that it had not yet had an opportunity to respond and present a meritorious defense to the foreclosure complaint, so the trial court could not determine whether ACB was likely to prevail. Defendant argued that ACB had also not alleged or shown any fraud, waste, or mismanagement necessitating the appointment of a receiver. Finally, defendant argued that ACB was acting in bad faith in this and other transactions between the parties, preventing defendant from obtaining alternate financing for the property.

¶ 7 On September 4, 2015, ACB filed a reply in support of its petition for the appointment of a receiver.

¶ 8 The trial court granted ACB's petition and appointed Hyman as the property's receiver on October 19, 2015. It ordered that the receiver's fees were to be $200 per hour for court time and $150 per hour for other time. The receiver was not to make improvements to the property costing more than $1,000 without court approval. The receiver's first report was due to be filed by December 10, 2015, and cover the period between the bond approval (October 19, 2015) and November 30, 2015.

¶ 9 On December 11, 2015, the receiver filed a motion for approval of his initial report. He also sought approval to: operate under an independent employer's identification number (EIN); retain tax appeal counsel; retain eviction counsel; receive payment of his fees and expenses; and be paid on a monthly basis from rental income. The receiver listed fees of $1,731.25 and expenses of $100. On December 18, 2015, over defendant's objection, the trial court set the motion for a hearing. It granted defendant time to file a response to the motion and for the receiver to file a reply.

¶ 10 Defendant filed a response on March 8, 2016, arguing as follows. The report and accounting were "grossly incomplete" in that they failed to show a single financial transaction related to the property other than payment of a bond. The liability insurance was "alarmingly" insufficient. Further, the receiver's fees failed to comply with the trial court's order. Specifically, he charged $500 for a court appearance lasting one hour and another $500 for one hour of office time. He also charged for tasks performed by clerks or support staff, which was not provided for in the trial court's order. The fees should therefore be reduced by at least $931.25. There was no reason why the receiver should be allowed to use an independent EIN as

it would serve little purpose other than to artificially inflate the parties' fees and costs in the litigation. The attorneys the receiver sought to appoint practiced primarily in Cook County, whereas the property was located in Du Page County. Finally, defendant objected "to the continued adjudication of financial matters within the instant case" considering that Chapter 11 bankruptcy proceedings were pending.

¶ 11 ACB filed a reply in support of the receiver's motion on March 25, 2016. It noted that the initial report covered only a six-week period, and it argued that defendant failed to allege what transactions should have been included in the receiver's report for that time. It argued that the property insurance was sufficient, as defendant provided no evidentiary support for its claims as to the property's fair market value. ACB asserted that the clerical fees were management fees for work performed by employees of the management company Millennium Property R/E, Inc. (Millennium), and were therefore allowable management fees under section 15-1704(c) of the Foreclosure Law (735 ILCS 5/15-1704(c) (West 2016)). It acknowledged that the receiver's charges for two dates were higher than the approved fee rate and must be reduced. Finally, it argued that defendant's objection to the use of an EIN and challenge to the requests to retain counsel were meritless.

¶ 12 The receiver filed an amended initial report on May 23, 2016. For the period of October 19, 2015, to April 30, 2016, he requested fees of $13,441.25, expenses of $44,926.01, and commission fees of $1,045.20. The trial court subsequently granted the receiver leave to file the amended report and struck the original report.

¶ 13 Defendant filed a response in opposition to the amended report on June 3, 2016. It argued that although the receiver had adjusted his charges for the court appearance, it still remained at $500 because the receiver was now additionally billing for travel time. Defendant

argued that, as a result, all other billings became suspect. Defendant also maintained that the receiver's hiring of Millennium violated Illinois law because the receiver was the owner or part owner of the company. Defendant argued that the receiver was essentially self-dealing, resulting in excessive billing and double compensation to him.

¶ 14 The receiver filed a reply in support of his amended motion on June 10, 2016. He argued that his appointment of Millennium as the property manager allowed him to supervise the property without charging excessive oversight fees, and that oversight by an unrelated company would come at a higher cost to defendant. The receiver contended that the amount of his fees and costs billed were proper; that he requested an EIN to open a separate bank account from which he could manage the property; that defendant's objections to his proposed counsel were overly critical; and that the bankruptcy court determined that the trial court was the proper forum for the receiver's amended motion.

¶ 15 On June 13, 2016, the receiver petitioned the court to appoint Fuchs & Roselli, Ltd., to be his counsel. The trial court granted the motion on June 21, 2016.

¶ 16 In the interim, following a hearing on June 15, 2016, the trial court granted the receiver's amended motion. It stated that from the receiver's report, it was "obvious that this [was] a fairly complicated receivership" in that there were multiple units in multiple buildings. It was "not the usual practice to have the receiver's company manage the property," but here there were "certain economies of scale." It had looked over the general ledger and rent roll, and it appeared that "everything [was] in order." It did not think that $500 was an excessive amount for the receiver to charge for total court appearance and travel time. The receiver's report was "apparently on its face accurate and certainly not unreasonable," so the trial court approved the report, with the exception that the receiver was to seek approval of specific eviction counsel based in Du Page

County. The order further stated that the second report was to cover the period of time from May 1 to July 31, 2016, and be filed no later than August 11, 2016.

¶ 17 The receiver filed a motion to approve his second report on August 12, 2016. He requested approval of fees of $12,302.50 and expenses of $81,352.35. He also requested that the trial court increase his repair authorization limit to $5,000. The trial court held a hearing on the report on September 2, 2016. It noted that it had been three weeks and that defendant had not filed an objection to the report, so it approved the report. The trial court further approved the legal fees and expenses requested and the receiver's fees and expenses, and it increased the receiver's repair authorization to $5,000. It ordered that the receiver's third report was to cover the period of August 1 to October 31, 2016, and be filed by November 15, 2016. All objections to the report were to be filed by November 21, 2016.

¶ 18 The receiver filed a motion to approve his third report on November 15, 2016. He sought fees of $14,837.50, expenses of $100,986.07, payment of a leasing commission of $1,747.20, and legal fees. Defendant did not file any objections by the court-ordered deadline. A hearing took place on the motion on December 8, 2016. Defendant stated that it had "only one issue with the third report," which was that the receiver had listed attorney fees for various eviction cases that had been initiated, but the firm had not been approved by the court. Counsel for the receiver stated that the firm had been approved, that it had offices in Wheaton, and that it did not bill for travel time even if associates traveled to and from Chicago.

¶ 19 The trial court approved the third report, including the fees, expenses, commissions, and legal fees. It ordered that the fourth report cover the period of November 1 to December 31, 2016, be filed by January 12, 2017, and that all objections be filed by January 19, 2017.

¶ 20 On January 12, 2017, the receiver filed a motion to approve his fourth report. He sought fees of $9,237.50, expenses of $13,608.58, and legal expenses. Defendant did not file a written objection. The trial court held a hearing on the motion on January 25, 2018. Defendant stated that it "had some inquiry" for which it would "approach counsel," but that it otherwise had no objection. The trial court approved the report and the requested fees, expenses, and legal fees. It ordered that the fifth report cover the period of January 1 to March, 31, 2017, be filed by April 13, 2017, and that all objections be filed by April 19, 2017.

¶ 21 On January 17, 2017, ACB filed a motion to substitute MB Financial Bank, N.A. (MB Bank) as the party plaintiff, as successor by merger. The trial court granted the motion on May 11, 2017.

¶ 22 The receiver filed a motion to approve his fifth report on April 14, 2017. He sought fees of $15,743.74, expenses of $27,552.87, payment of a leasing commission of $2,514.33, and legal fees. Defendant did not file a written objection. The trial court held a hearing on the motion on May 11, 2017. By agreement, the trial court approved the report in its entirety. It ordered that the sixth report cover the period of April 1 to May 31, 2017, and be filed by June 15, 2017, with objections due by June 22, 2017.

¶ 23 The receiver filed a motion to approve his sixth report on June 15, 2017. He sought fees of $5,075, expenses of $39,707.21, and legal fees. His report further stated that effective May 1, 2017, he "agreed" to move from an hourly fee to a monthly fee of $1,500. Defendant did not file a written objection to the motion and did not object at the July 6, 2017, hearing. The trial court approved the report along with its stated fees and expenses. It ordered that the seventh report cover the period of May 31 to August 31, 2017, and be filed by September 13, 2017, with objections due before the next court date of September 20, 2017.

¶ 24 On August 31, 2017, MB Bank moved to voluntarily dismiss the foreclosure action with prejudice, stating that the parties had settled their dispute. It stated that defendant's indebtedness to MB Bank had been fully satisfied, and defendant would retain title to the mortgaged property. MB Bank additionally stated that the receiver should be discharged contemporaneously with the voluntary dismissal.

¶ 25 On September 5, 2017, defendant filed a motion to discharge the receiver before the dismissal of the cause so that defendant could obtain control over the property and immediately address maintenance issues that the receiver allegedly either ignored or failed to address in a timely manner.

¶ 26 The receiver filed an objection to defendant's motion the following day. He denied ignoring or failing to attend to maintenance issues and further stated that MB Bank and he had agreed that he would not do any additional work beyond emergency matters. He argued that discharge of his role as receiver would not be proper until the amount of fees due to him was finalized. He noted that he planned to present his seventh and final receiver's report on September 12, 2017, the same date that the motion for voluntary dismissal was being heard.

¶ 27 On September 8, 2017, the receiver filed a motion for approval of his seventh report. He sought a total of $42,436.52 for operating expenses. Of this, $24,243.98 was for attorney fees, including "unbilled time for August and September" 2017. He additionally sought $6,200 for management fees.

¶ 28 The trial court gave defendant until October 17, 2017, to object to the report, and it did so on October 19, 2017. Defendant argued that the receiver: failed to provide any documentation of attorney fees, which were also unreasonable on their face, in part due to an hourly rate of $525; billed a flat management fee that was never approved by the trial court; and appeared to be

double-billing for those services. It also again argued that Millennium was disqualified from being given management authority because the receiver was Millennium's president and allegedly its sole owner.

¶ 29 The receiver filed a response on November 14, 2017, arguing as follows. The attorney fees were the result of prolonged proceedings from defendant's bankruptcy and its continued occupation of the premises without payment of rent, and numerous eviction actions. The bulk of the eviction cases were handled at a rate of $195 per hour in 2015 and 2016 and $215 per hour in 2017. Each of the receiver's previous reports seeking attorney fees sought them at the same rate schedule and were approved by the trial court. When the receiver submitted the seventh report, counsel had not yet submitted a fee petition, which was now finalized, billed, and attached to the response. The attorney fees totaled $29,921.28. The receiver's fees were changed from $150 per hour to a flat monthly fee by agreement of the parties, effective March 1, 2017, resulting in a costs savings to defendant. Defendant had previously contested the receiver's employment of Millennium, and the trial court agreed that it was more economical and authorized its use. Defendant did correctly point out that management fees were mistakenly included in the operating expenses as well as a separate request, and the receiver was reducing its request for operating expenses by $4,967.74.

¶ 30 A hearing on the seventh report took place on December 6, 2017. The trial court stated that the charges for the bankruptcy court were unusual but not unwarranted given the case's circumstances, in that defendant's principal necessitated that the receiver be in bankruptcy court. It accepted the receiver's representation that the parties agreed to a $1,500 flat monthly fee for the receiver, "as opposed to something that would undoubtedly be higher as evidenced by the

activity in the report." The trial court approved the seventh report.[1] It ordered that the receiver file his eighth and final report by December 12, 2017, with any objection from defendant due by December 15, 2017.

¶ 31 On December 12, 2017, the receiver filed a motion for approval of his eighth report. He filed an amended motion two days later in which he sought $22,124.33 in legal fees, $8,437.38 in operating expenses, and $2,819.35 in management fees after applicable credits.

¶ 32 Defendant did not file a written objection but briefly orally objected at the December 19, 2017, hearing, citing the same objections made to the seventh report. The trial court approved the fees and expenses sought in the eighth report, with the exception that the attorney fee award totaled $23,450.78. It discharged the receiver and his bond.

¶ 33 Defendant timely appealed and seeks the reversal of the trial court's approval of all eight receiver reports.

¶ 34 II. ANALYSIS

¶ 35 On appeal, defendant contests the trial court's approval of the receiver's reports, its decision to permit the receiver to bill at a flat monthly rate of $1,500, and its ruling allowing the receiver to use Millennium as the management company.

¶ 36 A receiver is an officer of the court appointed in a foreclosure action to secure and preserve the property to benefit all interested parties. *U.S. Bank National Ass'n v. Randhurst Crossing, LLC*, 2018 IL App (1st) 170348, ¶ 68. The receiver has "full power and authority to operate, manage and conserve such property," including, *inter alia*, the authority to secure tenants and execute leases, collect the rents and profits from the real estate, insure the property,

[1] On December 19, 2017, it approved legal fees of $8,014.58, operating expenses of $13,224.80, and management fees of $6,200 in connection with the seventh report.

"employ counsel, custodians, janitors, and other help," and pay taxes. 735 ILCS 5/15-1704(b) (West 2016). The receiver is to "use reasonable efforts to maintain the real estate and other property subject to the mortgage in at least as good condition as existed at the time the receiver took possession," with the exception of reasonable wear and tear. 735 ILCS 5/15-1704(c)(2) (West 2016). When a receiver requests an award of fees, he or she must submit enough evidence on the fees' reasonableness to permit the trial court to make a reasoned ruling. *City of Chicago v. Concordia Evangelical Lutheran Church*, 2016 IL App (1st) 151864, ¶ 58. An evidentiary hearing is not required for every fee petition. *Id.* If the petition includes time sheets detailing the receiver's activities and showing other factors relevant to a fee award, it may be sufficient to show that the requested fees are reasonable. *Id.* The reasonableness test applies to all costs, including "soft costs," such as the fees of lawyers and accountants, as well as "hard costs," such as third party invoices for work done on the property. *Id.* ¶ 61. If the receiver presents sufficient evidence of the fees' reasonableness, the burden then shifts to the respondent to show that the fees are unreasonable. *Id.* ¶ 58. We will not disturb a trial court's award of receiver's fees absent an abuse of discretion. *Id.* ¶ 55; *Plote, Inc. v. Minnesota Alden Corp.*, 95 Ill. App. 3d 5, 7 (1981). A trial court abuses its discretion where its ruling is arbitrary, fanciful, or unreasonable, or where no reasonable person would take the trial court's view. *Concordia Evangelical Lutheran Church*, 2016 IL App (1st) 151864, ¶ 73.

¶ 37 A. Flat Fee

¶ 38 We first address defendant's argument that the trial court abused its discretion in allowing the receiver to bill at a flat rate not agreed to by the parties. Defendant points out that the trial court's October 19, 2015, order stated that the receiver was to be paid $200 for court time and $150 for other time. The receiver's motion to approve his sixth report, filed on June 15,

2017, stated that he had "agreed" to move from an hourly fee to a monthly flat fee of $1,500.[2] Defendant argues that by adopting a flat fee unsupported by detailed billing records showing the nature of the services performed, the receiver opted "against the kind of transparency ordered by the Circuit Court" and left "a virtual fog over critical information relative to the subject property." Defendant argues that it never agreed to switch to a flat fee, but rather the agreement was solely between MB Bank and the receiver, and the receiver never sought leave from the trial court. Defendant maintains that the receiver seemed primarily concerned with generating revenue for himself and his company, as shown when he charged $500 for his initial one-hour court appearance rather than the $200 mandated by the trial court.

¶ 39 The receiver highlights that his change to a flat rate fee was documented in his sixth report, which he submitted for approval on June 15, 2017. The receiver further points out that defendant did not object to the report in writing or at the July 6, 2017, hearing on the report. The receiver notes that the trial court approved the report, implicitly not finding any reason to reject the change in the fee structure *sua sponte*. The receiver additionally argues that his flat fee of $1,500 per month was much more cost effective and saved defendant large sums of money, as the monthly receiver fees for November 2016 through April 2017 were much greater than the monthly flat rate receiver fees for May 2017 through December 2017.

¶ 40 We agree with the receiver's argument. Defendant did not object to the receiver's sixth report, which outlined the fee change, thereby effectively acquiescing to it. The trial court approved the report, which also acted as an approval of the fee change. Under the invited error doctrine, a party cannot complain of error which the party induced the court to make, or to which the party consented. *Ely v. Pivar*, 2018 IL App (1st) 170626, ¶ 43. Defendant did raise the issue

[2] The receiver still billed separately for court time.

of the flat fee when objecting to the seventh report. The trial court accepted the receiver's representation that the parties agreed to the fee switch, also noting that the flat fee was "as opposed to something that would undoubtedly be higher as evidenced by the activity in the report." Regardless of whether the parties initially agreed to the fee switch, as stated, defendant effectively did so by failing to object to the sixth report. Additionally, the record clearly supports the trial court's finding that the receiver's fees were significantly lower after he changed to the flat monthly fee. Accordingly, we find no abuse of discretion in the trial court's decision to allow the receiver to bill at a flat rate.

¶ 41 B. Management Company

¶ 42 We next address defendant's argument that the trial court abused its discretion by allowing the receiver to use Millennium as the management company for the property. Defendant points out that section 15-1704(c) of the Foreclosure Law (735 ILCS 5/15-1704(c) (West 2016)) states, in pertinent part: "A receiver may, without an order of the court, delegate managerial functions to a person in the business of managing real estate of the kind involved who is financially responsible, *not related to the mortgagee or receiver* and prudently selected." (Emphasis added.) Defendant argues that contrary to this statute, the receiver had a direct pecuniary and employment relationship with Millennium, in that he was its president and, upon information and belief, its sole owner. Defendant argues that the relationship created a conflict of interest and potentially substantially higher rates. Defendant maintains that although the receiver argued that the arrangement was more efficient and was how he commonly handled receiverships, "pattern and practice is no substitute for the judgment of the legislature." Defendant argues that the possibility of abuse through self-dealing, which occurred here, was exactly the sort of pecuniary malfeasance that the statute was enacted to prevent.

¶ 43 The receiver, for his part, cites *Federal Home Loan Mortgage Corp. v. Dearborn Street Building Associates, Ltd.*, No. 90-C-7143, 1991 WL 212178 (N.D. Ill. Oct. 7, 1991). There, a receiver employed Oakwood Management Corporation (Oakwood) to manage the property. *Id.* at *1. The receiver was Oakwood's president. *Id.* The defendants objected to this arrangement, citing section 15-1704(c). *Id.* at *2. They argued that the statute had an "implicit requirement that a receiver seek leave of court before employing a related entity" and that there was a second impermissible conflict because the mortgagee was involved with several other properties owned by the receiver and/or Oakwood. *Id.* The district court rejected these arguments. As relevant here, the district court stated:

> "Defendants have cited no authority to the effect that a receiver is precluded from carrying out his duty to manage receivership property through a corporate entity. Indeed, one can easily call to mind numerous valid business reasons for doing do. Where, as here, the relationship between the individual receiver and his corporation is disclosed to the court from the outset, it exalts form over substance to assert that there has been a delegation of a receiver's duty to manage the property entrusted to him by the court." *Id.*

¶ 44 The receiver in the instant case argues that although *Dearborn Street Building Associates* is not binding on this court, its facts and holding are directly applicable in that the trial court was aware that he had an ownership interest in Millennium. He notes that he argued in the trial court that his employment of Millennium, rather than an independent management company, allowed him to supervise the property without charging excessive oversight fees. He points out that the trial court agreed with him, stating that there were "economies of scale" here and that the documents submitted appeared to be in order. The receiver argues that the trial court clearly

took into consideration defendant's concerns regarding self-dealing and overbilling but noted that there were no abnormalities in Millennium's invoices or in his reports.

¶ 45 The receiver argues that even if, *arguendo*, the trial court erred in allowing him to use Millennium as the property manager, defendant fails to show any damage or prejudice. He contends that there is nothing in the record or in defendant's brief providing evidence that if a different property management company had been hired, the fees would have been lower or the management duties would have been carried out differently.

¶ 46 Last, the receiver argues that defendant's argument is moot because the underlying foreclosure action has been dismissed, and he has been discharged. He argues that even if we were to conclude that the trial court abused its discretion in allowing him to hire Millennium to oversee the property, there would be no remedy available to defendant.

¶ 47 We conclude that the trial court acted within its discretion in allowing the receiver to use Millennium as the property management company. In construing a statute, our primary objective is to ascertain and give effect to the legislature's intent, which is best indicated by the statute's language, when given its plain and ordinary meaning. *Murphy-Hylton v. Lieberman Management Services, Inc.*, 2016 IL 120394, ¶ 25. Section 15-1704(c) states that "[a] receiver may, *without an order of the court*, delegate managerial functions to a person in the business of managing real estate of the kind involved who is financially responsible, not related to the mortgagee or receiver and prudently selected." (Emphasis added.) Thus, the statute limits what a receiver may do without a court order, as opposed to what a receiver may do with a court order. ACB's motion to appoint the receiver clearly disclosed that the receiver was Millennium's president. In response to the receiver's initial amended report, defendant objected to his use of Millennium as the property management company, arguing that the receiver was essentially self-

dealing, resulting in excessive billing and double compensation. Thus, the issue was squarely before the trial court, and it determined that it was more economical for the receiver to employ Millennium, and that there appeared to be no billing irregularities. We agree with *Dearborn Street Building Associates* that where the relationship is disclosed to and approved by the trial court, the receiver may manage the property through a corporate entity. Therefore, we cannot say that the trial court's ruling was an abuse of discretion.

¶ 48 C. Receiver's Report

¶ 49 Finally, we turn to defendant's argument that the trial court erred in approving all of the receiver's reports. The receiver argues that defendant forfeited any arguments regarding the trial court's approval of the second through sixth reports because defendant did not raise any objections to these reports in the trial court. We agree. Defendant did not object in writing or orally to the second report, so the trial court approved it on September 2, 2016. The trial court thereafter delineated specific dates by which objections to the reports were to be filed, and defendant failed to file any such objections regarding the third through sixth reports. It also did not orally object to the amount of fees and expenses in these reports. Specifically, at the December 8, 2016, hearing on the third report, defendant's only concern was that the law firm used had allegedly not been approved by the court; defendant did not object to any of the fees or expenses listed. At the January 25, 2018, hearing on the fourth report, defendant stated that it "had some inquiry" for which it would "approach counsel," but that it otherwise had no objection. At the May 11, 2017, hearing on the fifth report, the trial court approved the report by agreement of the parties. The hearing on the sixth report took place on July 6, 2017, and defendant did not offer any objection. A party who fails to raise an argument in the trial court forfeits that argument, and it cannot be raised for the first time on appeal. See *Vician v. Vician*,

2016 IL App (2d) 160022, ¶ 41. The invited error doctrine also applies, as defendant effectively consented to the reports at issue by failing to object to them. See *Ely*, 2018 IL App (1st) 170626, ¶ 43. As such, defendant may not now contest the second through sixth reports.

¶ 50 We therefore examine defendant's arguments as they pertain to the first amended, seventh, and eight reports. Defendant largely contests the attorney fees. It argues that the receiver's records for legal services are unclear as to the specific rate being charged, so it cannot be discerned whether each service was performed by a senior or junior attorney. It is true that the attorney fee bills from Fuchs & Roselli do not list an hourly rate for services. However, the receiver's June 13, 2016, petition to employ that firm included a fee schedule for the firm's attorneys, which may be compared with the firm's bills.

¶ 51 Defendant further argues that the receiver lists attorney fees for eviction services that go well above the typical charge for legal services in that they are billed at $525 per hour, and for much more time than Du Page County eviction matters typically take. Defendant points out that the receiver's seventh report sought reimbursement of $24,243.98 for legal fees incurred from April to August 2017. This total also included two hours of attorney time billed at $525 per hour for court appearances on the date of the motion's filing and for the date of the hearing of the motion. Defendant highlights that the receiver did not attach any billing statements from the law firm and argues that "there are no detailed billing records maintained during the course of the litigation that show the actual time the Appellee's attorneys expended on legal tasks related to the maintenance and management of the mortgaged property."

¶ 52 However, defendant's argument does not take into account the receiver's reply in support of his motion to approve the seventh report. The receiver attached to that pleading the firm's

invoices that were submitted to him in connection with the work done. Therefore, the trial court was able to view the invoices before approving the seventh report.

¶ 53 On the subject of the hourly rate, the receiver stated that the eviction work was done at a rate of $195 per hour in 2015 and 2016 and $215 in 2017. The billing records appear to support this assertion. The $525 hourly fee, in contrast, was the rate for a principal of the firm.

¶ 54 Defendant argues that the attached billing records showed that a substantial amount of delineated legal services was expended to contest the bankruptcy case, which was a matter separate and distinct from the receiver's assigned mandate to oversee the subject property. Defendant maintains that there is no justification for folding in fees incurred in a separate legal proceeding.

¶ 55 At the hearing on the seventh report, the receiver's attorney argued that the firm had to be engaged in the bankruptcy court "by request of the bank because they were appointing [them] the receiver." The attorney argued that in the bankruptcy court, the receiver was being asked about the property's condition, and the bankruptcy judge wanted the receiver there "to discuss the continued operation." The trial court found that the charges for the bankruptcy court were unusual but not unwarranted, as the receiver was required to be there because of defendant's bankruptcy proceedings. We conclude that this determination was not an abuse of discretion.

¶ 56 Regarding the reasonableness of the attorney fees as a whole for the relevant petitions, the receiver cites *Plote*. There, the receiver's final petition requested payment of fees to the receiver's accountants for work they did in preparing the comprehensive final report. *Plote, Inc.*, 95 Ill. App. 3d at 6. The petition included a bill listing the employees who worked on the project, their hourly rates, and their total time. *Id.* The appellate court held that this bill provided sufficient evidence of the reasonableness of the fees. *Id.* at 8. The receiver argues that

Fuchs & Roselli's bills similarly contained line item descriptions of each task performed, the amount of time spent on that task, and specified the attorney that performed that task, and that the motion to appoint the firm contained its rate sheet.

¶ 57 After reviewing the record regarding the first, seventh, and eighth reports, we conclude that the trial court acted within its discretion in approving the attorney fees, *i.e.*, determining that that the receiver provided sufficient evidence of the reasonableness of the attorney fees and that defendant failed to effectively rebut this showing. See *Concordia Evangelical Lutheran Church*, 2016 IL App (1st) 151864, ¶¶ 55, 58.

¶ 58 Defendant additionally argues that the receiver overbilled for other fees, in that the seventh report sought to recover overlapping management fees of $4,967.74 for June through August of 2017 as management fees, and then another $6,200 for management fees for June through September 2017. Defendant argues that in failing to attach supporting documents detailing the nature of the work performed and the rate being charged, the receiver at best left himself open to sloppy accounting that would result in this type of double charge, and at worst allowed a pretext for willful fraudulent charges.

¶ 59 The receiver points out that in his reply in support of his motion to approve the seventh report acknowledged that he accidentally double billed management fees in the report, and he reduced his request for operating expenses by $4,967.74. Thus, this specific point is moot. As for the receiver's alleged failure to attach detailed supporting documents showing what work he performed, the receiver's amended initial report did describe in detail the work he did for the time he was billing. The seventh and eighth reports applied the flat fee, which we have determined was in the trial court's discretion to allow, so there was no longer a need for such

detailed billing. We find no abuse of discretion in the trial court's approval of the receiver's management fees in the first, seventh, and eighth reports.

¶ 60 III. CONCLUSION

¶ 61 For the reasons stated, we affirm the judgment of the Du Page County circuit court.