

September 12, 2022, the Defendants congratulated Plaintiffs and told them that the Siena on Westheimer deal had closed. It was a lie that Defendants maintained for months.

2. In February 2023, Plaintiffs were shocked to discover that the Siena on Westheimer deal never happened and that, in fact, their money had been moved months earlier, *without notice or their consent*, to a larger and completely different potential apartment complex deal in the Spring Branch area of Houston, Harris County, Texas (the “Spring Branch Portfolio deal”). The Defendants’ movement of Plaintiffs’ investment money was not authorized under any of the documents setting up Plaintiffs’ investment in the first Siena on Westheimer deal, and such clandestine action by Defendants was fraudulent and a breach of their fiduciary duties to Plaintiffs.

3. In March 2023, after the first shock about their \$12.4 million being moved by Defendants without Plaintiffs’ permission or disclosure to the Spring Branch Portfolio deal, the Plaintiffs next found out that the Spring Branch deal collapsed due to Defendants’ default on the earnest money terms they had negotiated with the sellers of that property. Defendants desperately tried to resuscitate the deal – including with Plaintiffs’ money already in the possession of the sellers as the *nonrefundable* earnest money down payment! Despite Plaintiffs’ March 2023 demand for the return of their investment money, Defendants have offered no help beyond lip service or their endless assurances to trust them in fixing the problems.

4. Reserving all other rights including equitable relief, Plaintiffs seek the return of their \$12.4 million which the Defendants have improperly converted, along with other actual, consequential and exemplary damages.

II. PARTIES

5. Plaintiff Reza D. Farahani is an individual investor whose residential address is 4118 Turtle Trails Lane, Sugar Land, Fort Bend County, Texas 77479.

6. The 123 Plaintiffs identified in **Exhibit A** consist of individuals, partnerships,

corporations, IRA accounts and other entities who have consented to the jurisdiction despite their locations differing. Exhibit A includes their addresses and counties of residence, and it is incorporated herein by reference.

7. Defendant Koteswar Rao “Jay” Gajavelli is an individual residing in Texas and doing business in Texas. He may be served at 1162 Pedernales Trail, Irving, Texas 75063-9375 or wherever else he may be found.

8. Defendant Applesway Investment Group, LLC is a domestic limited liability company organized in the State of Texas, with offices at 1162 Pedernales Trail, Irving, Texas 75063-9375. It can be served through its registered agent Koteswar Rao Gajavelli, 1341 W. Mockingbird Lane, Suite 600, Dallas, Texas 75247.

9. Defendant Spring Branch Portfolio Houston TX LLC is a domestic limited liability company organized in the State of Texas, with offices at 7750 N. MacArthur Blvd. 120-311, Irving Texas 75063-7514. It can be served through its registered agent Kaliser & Associates PC, 17101 Preston Road, Suite 105, Dallas, Texas 75248.

10. Defendant Spring Branch Portfolio Houston TX MGR LLC is a domestic limited liability company organized in the State of Texas, with offices at 7750 N. MacArthur Blvd. 120-311, Irving Texas 75063-7514. It can be served through its registered agent Kaliser & Associates PC, 17101 Preston Road, Suite 105, Dallas, Texas 75248.

11. Defendant Siena HOU TX MGR LLC is a domestic limited liability company organized in the State of Texas, with offices at 1341 W. Mockingbird Lane, Suite 600, Dallas, Texas 75247-6904. It can be served through its registered agent Kaliser & Associates PC, 17101 Preston Road, Suite 105, Dallas, Texas 75248.

12. Defendant Vijay Atti is an individual residing in Texas and doing business in Texas. He may be served at 2707 Barons Cove Ct., Pearland, Texas 77584-5563 or wherever else he may

be found.

13. Defendant S3 Your Financial Future LLC is a domestic limited liability company organized in the State of Texas, with offices at 2707 Barons Cove CT, Pearland, Texas 77584-5563. It can be served through its registered agent Legalinc Corporate Services Inc., 10601 Clarence Dr., Suite 250, Frisco, Texas 75033. Defendant Atti operates and controls S3 LLC.

III. DISCOVERY CONTROL PLAN AND MONETARY RELIEF SOUGHT

14. Plaintiffs intend to conduct discovery under a Level 2 discovery control plan pursuant to Rule 190.3 of the Texas Rules of Civil Procedure.

15. Damages sought are within the jurisdictional limits of the Court. Pursuant to TEX. R. CIV. P. 47, Plaintiffs seek monetary relief over \$1,000,000.00.

IV. JURISDICTION AND VENUE

16. This is a civil action arising under state law. The Court has subject matter jurisdiction over the claims alleged herein because Plaintiffs' damages exceed the minimum jurisdictional limits of this Court.

17. The Court has personal jurisdiction over Defendants because all Defendants do business in Texas and the LLC defendants are all incorporated in Texas.

18. Venue is proper in Harris County pursuant to TEX. CIV. PRAC. & REM. CODE § 15.002(a)(1) because all or a substantial part of the events and/or omissions giving rise to Plaintiffs' claims occurred in Harris County, Texas. Venue is also proper in Harris County, Texas under TEX. CIV. PRAC. & REM. CODE § 15.011 because the real estate properties at issue are located in Harris County, Texas.

V. FACTUAL BACKGROUND

A. **The Siena on Westheimer deal.**

19. Starting in March 2022, Defendant S3 LLC, controlled by Defendant Vijay Atti, began raising money from the Plaintiff Investors for the purchase of the “Siena on Westheimer” investment deal. False investment details and lofty future returns on the investment were provided to the individual investments who transferred their savings money to the bank account of the Siena on Westheimer deal. A confidential Private Placement Memorandum (“PPM”) was also provided listing both Koteswar Rao “Jay” Gajavelli and Vijay Atti as managing members of this investment.

20. In April 2022, Defendant Applesway, controlled by Defendant Koteswar Rao “Jay” Gajavelli, entered into a Purchase and Sale Agreement which set the conditions for Applesway’s future purchase of a 643-unit multi-family residential complex at 6263 Westheimer Road, Houston, Texas 77057, known as the “Siena on Westheimer” deal. A significant portion of the \$68 million purchase price for this deal was funded by the Plaintiff Investors, who, after reviewing financial data and other information provided by the Defendants, had signed up to acquire membership units in the LLC which was to assume ownership of the Siena on Westheimer property – *i.e.*, Defendant SIENA HOU TX LLC,. The total amount invested by the Plaintiffs in the planned Siena on Westheimer deal was at least \$12.4 million.

21. SIENA HOU TX LLC’s planned ownership of the Westheimer property was structured to be managed through two Managing Members – Defendant Koteswar Rao “Jay” Gajavelli and Defendant Vijay Atti, both of whom would be acting through Defendant Siena Houston TX MGR LLC. Defendant Applesway Investment Group – the planned nominal owner of the property – was the 100% Member and Manager of Siena Houston TX MGR LLC. Defendant Gajavelli and Atti are listed as the “principals” of this management entity. Each of them was also listed as a Managing Member of Applesway. Defendant S3 LLC is affiliated with Applesway and

acted as the asset sponsor and served as the investment portal to hold Plaintiffs' signed PPMs, distribution documents, tax documents, *etc.* Attached as **Exhibit B** is an organizational chart prepared by Defendants setting out the ownership and management structure.

22. It suffices to state that the planned Siena on Westheimer deal was structured for the apartment property to be owned and operated, for substantial fees, by the Defendants. The Plaintiffs were to be passive investors in the property and would share rental profits in as well as proceeds on resale of the apartment complex, after the Defendants first took their share. The legal instruments that set up this structure made clear that the *sole purpose* of the Plaintiffs' investment money was to purchase, rehab, manage, refinance and/or sell the Siena on Westheimer property pursuant to the terms of the agreed Siena on Westheimer deal documents. At all times material, the Defendants had custody and control of Plaintiffs' investment money for this limited purpose transaction, and Defendants owed a fiduciary duty to use their investment money for that purpose and not for any other.

23. Once the Plaintiff Investors' money was committed to the Siena on Westheimer deal, the type of structure described above was put in place in order for the Purchase and Sale Agreement to be consummated. The Plaintiffs understood this. After some delays, on September 12, 2022, Defendant Vijay Atti – a principal of the management company which had custody of and controlled Plaintiffs' money (Defendant Siena Houston TX MGR LLC.) – informed the Plaintiff Investors via e-mail that the Siena on Westheimer deal had closed on August 30, 2022, and expressed gratitude for their patience and partnership. *See Exhibit C.* Atti further explained in his e-mail to the Plaintiff Investors that the management company (*i.e.*, Defendant Siena Houston TX MGR LLC) had taken over all responsibilities for the Westheimer property, including transfer of accounts, rent collection, maintenance and other day-to-day activities. Atti concluded his email to Plaintiff Investors – “Thank you again and I look forward to an amazing and long-term

partnership!” *Id.* All sounded good to the Plaintiffs.

B. Unbeknownst to Plaintiffs until it was too late, the Siena on Westheimer deal never closed, and their investment money became part of a shell game played by Defendants.

24. Everything that Atti wrote in his September 12, 2022, congratulatory e-mail to the Plaintiff Investors was false. The Siena on Westheimer deal never closed. Indeed, it terminated without any purchase and sale transaction. Defendants Gajavelli and Applesway Investment Group, LLC, as principals of Co-Defendant Siena Houston TX MGR LLC which managed and/or controlled Plaintiffs’ money, knew or should have known all of the representations to be false. Indeed, unbeknownst to the Plaintiff Investors, Gajavelli, acting for his own selfish benefit and that of Applesway which he controlled, had covertly moved Plaintiffs’ money out of the Siena on Westheimer deal to an *entirely separate and unrelated potential deal, which plaintiffs never agreed to invest in*, known as the “Spring Branch Portfolio” deal. On information and belief, Plaintiffs now believe that the redirection of their investment money to this undisclosed and unrelated real estate deal occurred *before* Atti’s September 12, 2022 e-mail (Exhibit C), which had falsely touted the completion and closing of the Siena on Westheimer deal.

25. Even assuming *arguendo* Defendant Atti did not know what he wrote in his September 2022 e-mail to be false, or that the Plaintiffs’ money have been moved to a different deal without permission from or notice to them, he should have known because he too (along with Gajavelli) was a principal of the management company which managed and controlled Plaintiffs’ money – Defendant Siena Houston TX MGR LLC.

C. Without any disclosure to or consent from Plaintiffs, the Defendants fraudulently transferred Plaintiffs’ investment money from the Siena Westheimer deal to the *unrelated* Spring Branch Portfolio deal.

26. The Spring Branch Portfolio deal concerned the proposed sale to Gajavelli’s company, Defendant Applesway, of four apartment complexes located in the Spring Branch area

of Houston, Texas, comprising 1,623 apartment units. It turns out that in the same time frame Defendant Gajavelli was taking custody of Plaintiffs' \$12.4 million purportedly to invest in the Siena on Westheimer deal, he was also forming a new LLC to purchase the Spring Branch Portfolio of apartment properties. Using Applesway again as the nominal purchaser, Gajavelli entered into a Purchase Agreement with the sellers of the Spring Branch Portfolio on April 21, 2022 (four days *earlier* than Defendants' agreement to buy the Siena Westheimer apartment property), with the closing to occur 60 days thereafter. Gajavelli was in control of everything pertaining to the Spring Branch deal, including his control of Defendant Applesway as the purported purchaser, and his control of Defendant Spring Branch Portfolio Houston TX MGR LLC as the manager. **Exhibit D** shows the organizational structure for the purchasers of the Spring Branch Portfolio with Gajavelli in control. Plaintiffs knew nothing about Gajavelli's interest in the Spring Branch Portfolio or his plan to use their money to buy it, until months later.

27. Gajavelli much preferred the Spring Branch deal over the Siena on Westheimer deal because it was approximately three times larger in sale price, apartment units and projected rental revenue, and of course this would generate him proportionately greater acquisition and manager fees. In order for Gajavelli to position his newly formed LLC companies to acquire the Spring Branch Portfolio, he needed what was left of the \$12.4 million that Plaintiffs had invested in the Siena on Westheimer deal to serve as earnest money on the Spring Branch deal. Accordingly, Defendants improperly took possession of and transferred Plaintiffs' investment money from an account dedicated to the Siena deal into a different account dedicated to consummating an agreement to purchase the unrelated Spring Branch Portfolio property.¹ Defendants never informed Plaintiffs of the switch. And based on Defendants' misrepresentations and concealment,

¹ Alternatively, if Defendants did all of this from the same account set up for and dedicated to the Siena on Westheimer deal, their conduct is even more brazen and egregious.

including Atti's September 12, 2022, email falsely advising that the Siena on Westheimer deal had closed (**Exhibit C**), Plaintiffs had no reason to suspect any fraud or theft. By way of example only, Plaintiff Investors were never shown any private placement memorandum, nor were they asked to sign any type of investment agreement relative to the Spring Branch Portfolio deal.

28. There was and is no legal or factual basis for Defendants' improper and surreptitious conversion of Plaintiff's money from what was initially a legitimate investment (*i.e.*, the Siena on Westheimer deal), into an illegitimate and unauthorized investment (*i.e.*, the Spring Branch Portfolio deal). Indeed, as noted above, the Plaintiffs' payment of their hard-earned money to acquire membership interests in the Siena LLC was a "sole purpose" investment – meaning that their investment could not be used for any purpose other than the purchase, improvement, management, refinance or sale of the Siena Westheimer apartments. Defendants' undisclosed diversion of Plaintiffs' money to serve as nonrefundable earnest money on a different project was fraudulent and a breach of their fiduciary duties owed to Plaintiffs, and it ultimately caused Plaintiffs great harm when Defendants defaulted on the Spring Branch Portfolio purchase terms and forfeited all of Plaintiffs' investment money to the sellers.

D. Defendants' motive for the bait and switch speaks volumes about their fraudulent intent.

29. Defendants' motive for their bait and switch is clear. The Spring Branch Portfolio is almost three times larger than the Sienna Westheimer apartment complex, would cost almost three times more to purchase, and would generate almost three times the rent revenue and other profits. As the person who controlled the asset manager LLC (*i.e.*, Spring Branch Portfolio Houston TX MGR LLC), Defendant Gajavelli would be able to earn almost three times more in asset manager fees that are calculated based on a predetermined percentage of (i) the purchase price, (ii) the monthly rental revenue, and (iii) ultimately the resale price. If the deal were to go through, this

would translate into millions of dollars more in fees that could be collected by Gajavelli including an upfront multi-million dollar “Acquisition Fee,” as compared to what he could have collected from the Siena deal.

E. In February 2023, Plaintiffs finally discover that their investment in the Siena on Westheimer deal has been moved by Defendants to the Spring Branch deal without notice or permission, all of which was lost when Defendants defaulted on that deal.

30. In February 2023, Plaintiffs became aware *for the very first time* that all or nearly all of their \$12.4 million investment in the Siena on Westheimer deal had been moved by Defendants without their knowledge or consent to the unrelated Spring Branch Portfolio deal. Defendants’ organizational structure for their planned ownership of the Spring Branch Portfolio is virtually identical to their structure for the Siena on Westheimer deal—which never went forward. Defendant Gajavelli set it up so that he was in control of everything, including the Plaintiff Investors’ money. By way of example only, in the same way Defendant Applesway was designated as the “purchaser” in the Siena on Westheimer deal (which as noted above never went forward), Applesway was also designated as the “purchaser” of the Spring Branch Portfolio.

31. Plaintiffs’ first notice of Defendants’ fraud follows from a February 15, 2023, e-mail from Gajavelli’s co-manager in the Siena on Westheimer deal, Defendant Vijay Atti, to the Plaintiff Investors. *See Exhibit E*. In the e-mail, Atti pasted an e-mail he had received from Gajavelli earlier in the day, wherein Gajavelli finally disclosed that the Siena on Westheimer deal had never closed and that he had moved Plaintiffs’ money to the Spring Branch Portfolio. Atti apologized to the Plaintiff Investors for trusting Gajavelli and believing his lies, but then concluded by noting the “good news” that the Plaintiffs’ money “is still intact”. *Id.*

32. After further demands for information, however, Plaintiffs learned that their money was not intact. Starting with the April 2022 purchase and sale agreement for the Spring Branch Portfolio, followed by multiple amendments to continually postpone the closing date while

Gajavelli tried unsuccessfully to find private equity financing, Defendants were required to make multiple *nonrefundable* earnest money payments to keep the deal alive. These payments were made with Plaintiffs' money that Defendants had converted from the Siena on Westheimer deal account. The most recent nonrefundable payment to the seller under the "Third Reinstatement and Fourth Amendment to the [Spring Branch Portfolio] Purchase Agreement" was due on March 10, 2023, in order to keep the deal alive until April 10, 2023. In this instance, the earnest money payment requirement was \$600,000. However, the March 10 deadline to extend the deal expired with no additional payment because the Defendants had exhausted what was left of Plaintiffs' money. The purchase and sale agreement for the Spring Branch Portfolio is now dead. Due to Defendants' wrongful conduct, all or nearly all of Plaintiffs' \$12.4 million investment that remained from the Siena Westheimer deal, has now been "irrevocably released" to the Spring Branch Portfolio sellers.

33. There is nothing left of Plaintiffs' 2022 investment of \$12.4 million in the Siena on Westheimer deal, and all of it was caused by Defendants' arrogant, fraudulent, reckless and deceitful conduct.

VI. CAUSES OF ACTION

First Cause of Action – Breach of Fiduciary Duty

34. Plaintiffs incorporate by reference the allegations contained in the preceding paragraphs as if fully stated herein.

35. As a result of Defendants' relationship with Plaintiffs, which included a duty of care in regard to the millions of dollars that Plaintiffs entrusted to them. and due to the individual Defendants' positions as principals of the management company which controlled Plaintiff Investors' money, (i.e., Defendant Siena Houston TX MGR LLC), Defendants had a fiduciary relationship with Plaintiffs.

36. In committing the acts and omissions described herein, Defendants breached their fiduciary duties to Plaintiffs including, but not limited to, their duties of loyalty and utmost good faith, duty of candor, duty to refrain from self-dealing, duty to act with integrity of the strictest kind, duty of fair and honest dealing, and duty of full disclosure.

37. Specifically, Defendants breached their fiduciary duties to Plaintiffs in a number of ways including, but not limited to, the following:

- a. Transferring Plaintiffs' money from an authorized investment, the Siena on Westheimer deal, to an unauthorized investment, the Spring Branch Portfolio deal;
- b. Misrepresenting facts material to the investment transactions related to both the Siena on Westheimer deal and Spring Branch Portfolio deal; and
- c. Failing to disclose material facts related to both the Siena on Westheimer deal and Spring Branch Portfolio deal and the transfer of Plaintiffs monies.

38. Defendants' breaches of their fiduciary duties proximately caused injury to Plaintiffs, resulting in damages to Plaintiffs in an amount far exceeding the minimum jurisdictional limits of the Court. Plaintiffs are entitled to recovery of such damages, including economic actual, consequential, incidental, and special damages, pre-judgment interest, costs, and expenses. Under principles of equity or otherwise, these breaches further entitle Plaintiffs to seek recovery of their attorneys' fees and costs incurred pursuing these claims against the Gajavelli and his entities.

39. The Defendants' breaches were intentional and/or they intended to gain an additional, unwarranted benefit from their conduct and/or omissions. Moreover, their conduct and treatment of Plaintiffs in this regard was unconscionable and constitutes malice. The Defendants' breaches of fiduciary duties entitle Plaintiffs to recover exemplary damages.

Second Cause of Action – Texas Theft Liability Act

40. Plaintiffs incorporate by reference the allegations contained in the preceding

paragraphs as if fully stated herein.

41. Plaintiffs bring this action under the Texas Theft Liability Act for an unlawful appropriation of property under Texas Penal Code Section 31.03.

42. Plaintiffs were entitled to possession of their \$ \$12.4 million invested in the Siena on Westheimer deal, as the amount was comprised of Plaintiffs' hard-earned savings and the investment deal was never finalized.

43. Defendants unlawfully appropriated Plaintiffs' property by transferring Plaintiff's most if not all of their \$ \$12.4 million investment from the Siena on Westheimer deal to the Spring Branch Portfolio deal without Plaintiffs' knowledge, permission, or consent.

44. Defendants appropriated the \$12.4 million with the intent to deprive Plaintiffs of their property.

45. Plaintiffs suffered damages as a result of Defendants' unlawful appropriation.

46. Defendants' actions are acts of theft under Texas law, which have caused Plaintiffs damages. As such, Plaintiffs are entitled to recover the amounts and remedies identified in § 134.005 of the TEX. CIV. PRAC. & REM. CODE, including actual, consequential, incidental, and special damages, additional sums not to exceed \$1,000, court costs, and reasonable and necessary attorneys' fees. Additionally, Plaintiffs' injury resulted from Defendants' malice or actual fraud, entitling Plaintiffs to exemplary damages under TEX. CIV. PRAC. & REM. CODE § 41.003(a).

Third Cause of Action – Conversion

47. Plaintiffs incorporate by reference the allegations contained in the preceding paragraphs as if fully stated herein.

48. Defendants converted and—unlawfully and without authority—assumed dominion and control over certain property of Plaintiffs, including the \$12.4 million investment funds at issue.

49. Defendants' conversion of Plaintiffs' property was malicious because Defendants knew their actions were unlawful and without authority.

50. Plaintiffs suffered damages because of Defendant's unlawful dominion and control over Plaintiffs' property.

51. Accordingly, Plaintiffs are entitled to the return of their property and/or actual, consequential, incidental, and special damages for which Plaintiffs now bring suit. Plaintiffs further seek exemplary damages in an amount sufficient to deter conduct by Defendants in the future, in an amount to be determined by the trier of fact.

Fourth Cause of Action – Fraud, Fraud by Nondisclosure, Fraud by Omission, Fraudulent Misrepresentations, and Fraud-in-the-Inducement

52. Plaintiffs incorporate by reference the allegations contained in the preceding paragraphs as if fully stated herein.

53. Defendants committed fraud to the detriment of Plaintiffs by making material misrepresentations and omissions to Plaintiffs, which include, without limitation, misrepresentations and/or omissions about the investment of Plaintiffs' \$12.4 million in the Siena on Westheimer deal and how Plaintiffs' money would be used.

54. Defendants made misrepresentations they knew were material and false, or Defendants made said misrepresentations recklessly and as a positive assertion, or without any

knowledge of the truth of the misrepresentations. Further, Defendants had a duty to disclose the truth to Plaintiffs because they knew that Plaintiffs had no knowledge of the correct facts, yet Defendants remained silent.

55. Defendants made material misrepresentations and omissions with the intention that Plaintiffs either rely on and act upon them or abstain from acting. Plaintiffs relied on the representations and non-disclosure by Defendants by agreeing to and investing most if not all of Plaintiffs' \$12.4 million into the Siena on Westheimer deal.

56. Accordingly, Defendants' fraud has caused damage to Plaintiffs, and Plaintiffs are entitled to recover their actual, consequential, incidental, and special damages plus pre- and post-judgment interest, and court costs.

57. Moreover, the Defendants' conduct, when viewed objectively from their standpoint at the time it occurred, involved an extreme degree of risk considering the probability and magnitude of the potential harm to Plaintiffs. Additionally or separately, the Defendants had actual and/or subjective awareness of the risk but proceeded with a conscious indifference to the rights, financial safety or welfare of Plaintiffs. The Plaintiffs' conduct and treatment of Plaintiffs was unconscionable, and also constitutes malice in that they knew that their conduct would cause substantial injury or harm to Plaintiffs. The Defendants' intentionally fraudulent conduct and omissions entitle Plaintiffs to recover exemplary damages.

Fifth Cause of Action – Negligence as to Defendant Atti

58. Plaintiffs incorporate by reference the allegations contained in in the preceding paragraphs as if fully stated herein.

59. If Defendant Atti did not have actual knowledge of the unauthorized diversion of Plaintiffs' \$12.4 million investment in the Siena on Westheimer deal to the Spring Branch Portfolio deal, he should have in the exercise of reasonable diligence been aware of such misconduct. Atti

was a principal of both Defendant Siena Houston TX MGR LLC and Defendant Applesway. As such, he had a duty of care to safeguard Plaintiffs' investment in the Siena on Westheimer deal, and could easily have monitored the account(s) where Plaintiffs' money was deposited.

60. Defendant Atti breached his duties to Plaintiffs by failing to monitored over a prolonged period of time the account(s) where Plaintiffs' money was deposited. Atti's breaches proximately caused damage to Plaintiffs, and Plaintiffs are entitled to recover their actual, consequential, incidental, and special damages plus pre- and post-judgment interest, and court costs.

Sixth Cause of Action – Accounting

61. Plaintiffs incorporate by reference the allegations contained in in the preceding paragraphs as if fully stated herein.

62. Plaintiffs are entitled to a complete accounting by Defendants regarding all monies that were originally invested by Plaintiffs in the Siena on Westheimer deal.

63. Plaintiffs believe that an accounting by Defendants will reveal that Defendants owe Plaintiffs a sum of money in the amount of approximately \$12.4 million.

VII. ATTORNEYS' FEES

64. Plaintiffs incorporate by reference the foregoing allegations as if fully set forth herein.

65. Plaintiffs retained the undersigned attorneys to represent them in this action and agreed to pay such attorneys reasonable and necessary attorneys' fees.

66. Plaintiffs seek to recover all reasonable and necessary attorneys' fees, costs, and expenses through trial and all appeals under applicable Texas law, including but not limited to Rule 134.005 of the Texas Civil Practice & Remedies Code. Plaintiffs further seek recovery of their

costs and expenses as authorized by law, including Texas Government Code Section 4008.060.

VIII. PERFORMANCE OF CONDITIONS PRECEDENT

67. All conditions precedent to Plaintiffs' right to sue for the claims and damages herein have been performed by Plaintiffs or have occurred.

IX. DEMAND FOR JURY

68. Plaintiffs demand a trial by jury on all claims asserted herein.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs pray that Defendants Koteswar Rao "Jay" Gajavelli, Applesway Investment Group, LLC, Spring Branch Portfolio Houston TX LLC, Spring Branch Portfolio Houston TX MGR LLC, Siena HOU TX MGR LLC, Vijay Atti and S3 Your Financial Future LLC be cited to appear and answer, and that upon final hearing or trial hereof, the Court order a judgment in favor of Plaintiffs against Defendants for Plaintiffs' (1) actual, consequential, incidental, and special damages; (2) reasonable and necessary attorneys' fees and expenses incurred in prosecuting this action, as well as additional amounts for all appeals to other courts; (3) prejudgment interest; (4) post-judgment interest, at the highest rate allowed by law, from the date of judgment until said judgment is paid; (5) costs of court; and (6) such other and further relief, at law or in equity, to which Plaintiffs may be justly entitled.

Respectfully submitted,

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ATTORNEYS FOR PLAINTIFFS

Automated Certificate of eService

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Envelope ID: 75967336
Filing Code Description: Petition
Filing Description: Plaintiffs' Original Petition
Status as of 5/24/2023 2:48 PM CST

Associated Case Party: RezaDFarahani

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