United States Court of Appeals for the Fifth Circuit

United States Court of Appeals
Fifth Circuit
FILED
November 4, 2026
Thomas B. Plunkett, III
Clerk

No. 25-10905

LAURA DAVIS; WHITNEY E. MARTIN; WILLIAM DALE BEHAN; CHRISTIANSON J. ANDERSON,

Appellants,

versus

J. ROBERT FORSHEY, *Receiver*,

Appellee,

versus

ANNALISA LYNN ANDERSON,

Movant—Appellant,

CONSOLIDATED WITH

No. 25-11071

WESLEASE 2018 OPERATING L.P.,

Plaintiff,

versus

CHRISTIANSON J. ANDERSON; WHITNEY E. MARTIN,

Defendants- Appellants,

ANNALISA LYNN ANDERSON,

Movant—Appellant,

versus

J. ROBERT FORSHEY, *Receiver*,

Appellee,

Appeals from the United States District Court
for the Northern District of Texas
USDC Nos. 4:20-CV-776, 4:20-CV-776

Before DUNCAN, ENGELHARDT, and RAMIREZ, *Circuit Judges*.

PER CURIAM:[*]

Appellants challenge a district court's orders authorizing a receiver to sell property that belonged to a company in which they owned an interest to satisfy a judgment against other owners. We DISMISS the appeal as moot.

I

After multiple appeals involving a judgment entered against Dale E. and Linda Behan (Judgment Debtors), disciplinary proceedings against their counsel,[1] and multi-year proceedings to satisfy that judgment, the district

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[*] This opinion is not designated for publication. *See* 5TH CIR. R. 47.5.

[1] The district court initiated disciplinary proceedings against Appellants' counsel on May 21, 2024, and temporarily suspended him from practice in the Northern District of Texas on November 7, 2024. During his suspension, Appellants' Counsel provided

court appointed a receiver, J. Robert Forshey (Receiver). The court authorized Receiver to collect Judgment Debtors' non-exempt assets and to take exclusive control of all entities they owned, in whole or in part, to satisfy the judgment. Judgment Debtors owned a fifty percent membership interest in Hermitage Newark, LLC (Hermitage), which in turn owned one-hundred acres of land and equipment located in the State of Arkansas. The other fifty percent of Hermitage was collectively owned by Appellants Laura Davis, Whitney Martin, Annalisa Anderson, Christianson J. Anderson, and William Dale Behan.

Receiver sought authorization from the district court to sell Hermitage's land, and Judgment Debtors responded that they only owned a fifty percent membership interest in Hermitage. After a hearing, at which Judgment Debtors appeared, the district court entered an interim order authorizing the sale of the land. The order required (1) Judgment Debtors to provide Receiver the names of the other Hermitage interest holders; (2) Receiver to serve them with a copy of the interim order; and (3) any individual or entity with an interest in the land to appear and state their interest within fourteen days or be barred from asserting a claim. The district court also set a second hearing to consider entering a final order authorizing the land sale. Despite service of the order, Appellants did not enter an appearance or assert any interest in the land.[2]

Neither Appellants nor the Judgment Debtors were present at the second hearing, and on June 12, 2025, the district court entered a final order

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unauthorized legal assistance to Judgment Debtors, and the district court sanctioned him on June 3, 2025, ordering his withdrawal from all litigation involving Judgment Debtors and their associated companies.

[2] Only Inveniam Principal Investing Mezzanine 2, LLP (Inveniam) appeared, asserting a lien on the land securing more than $11 million in debt.

authorizing the land sale. On that same day, Appellants challenged Receiver's authority to sell the land in Arkansas state court, prompting Receiver to move for injunctive relief in the district court. After a hearing at which only the Judgment Debtors and Anderson appeared, on July 24, 2025, the district court modified and entered its final order authorizing the sale and enjoining Appellants from interfering with its *in rem* jurisdiction over the land.

Appellants noticed their appeal of the land sale on August 1, 2025, but did not seek to stay the sale order pending appeal until August 8, 2025, when they filed their emergency motion for a stay before this court. Receiver had already sold the land on August 5, 2025, however.[3] This court denied Appellant's emergency motion on August 14, 2025.

While the land sale was pending, Receiver sought authorization to sell the equipment owned by Hermitage. The district court entered an interim order authorizing the sale, scheduled a hearing, and ordered that any objecting party file its objections in writing. No party, including Appellants, filed objections or appeared at the hearing. The district court entered a final order authorizing the equipment sale on August 18, 2025.

On September 12 and 15, 2026, respectively, Appellants Davis and Behan appealed the order authorizing the equipment sale. They did not seek a stay of the equipment sale orders either in the district court or this court. Receiver subsequently completed the equipment sale by online auction in October 2025.

II

[3] After another hearing, at which only Judgment Debtors were present, the district court authorized Receiver to distribute proceeds from the land sale to Inveniam.

Appellants argue that the district court abused its discretion by authorizing receiver to sell property not held *in custodia legis* because it was owned by Hermitage, a non-judgment debtor, and that their ownership interests were determined in violation of their due process rights. Receiver responds that because the sale of the property has closed and been fully consummated, this appeal is moot.

"We must address jurisdictional issues, such as mootness, before the merits." *Loc. 1374, Jefferson Par. Firefighters Ass'n v. Roberts*, 182 F.4th 463, 467 (5th Cir. 2026). Mootness "is a jurisdictional issue because it implicates Article III's requirement of a live case or controversy." *United States v. Lares-Meraz*, 452 F.3d 352, 354–55 (5th Cir. 2006). A case fails to satisfy the case-or-controversy requirement, and a federal court lacks jurisdiction, "'when it is impossible for a court to grant any effectual relief whatsoever to the prevailing party.'" *Mendoza-Flores v. Rosen*, 983 F.3d 845, 847 (5th Cir. 2020) (quoting *United States v. Vega*, 960 F.3d 669, 672 (5th Cir. 2020)).

In receivership cases, an appeal becomes moot if a party contesting a property sale fails to obtain a stay of the sale pending appeal, and the property is sold to a good faith purchaser in the interim. *See Sec. & Exch. Comm'n v. Janvey*, 404 F. App'x 912, 915–16 (5th Cir. 2010) (dismissing the appeal of a party contesting a judicial sale of receivership assets as moot because the party did not seek to stay the sale pending appeal and the property had been sold).[4] A stay preserves the status quo; otherwise, "an event may occur while

[4] Receivership property is sold under 28 U.S.C. § 2001(a) for real property, and § 2004 for personal property. In receivership cases, courts often look to the bankruptcy context because "the purpose of bankruptcy receiverships and equity receiverships is essentially the same—to marshal assets, preserve value, equally distribute to creditors, and, either reorganize, if possible, or orderly liquidate." *See Sec. & Exch. Comm'n v. Hill*, 186 F.4th 462, 476 (5th Cir. 2026). Noting the lack of authority discussing the effects of a failure to seek a stay of a property sale in receivership proceedings, *Janvey* looked to the "plethora of case law discussing the consequences of failing to stay or enjoin the sale of property" in

a case is pending appeal that makes it impossible for the court to grant any effectual relief." *Id.* at 916 (citations omitted). When the underlying property has been sold, the court cannot fashion relief, so the appeal becomes moot. *See Turner v. Murphy Oil USA, Inc.*, 314 F. App'x 712 (5th Cir. 2009) (per curiam) (citing *Harris v. Houston*, 151 F.3d 186, 189 (5th Cir. 1998)). This court has found requests for declaratory relief following a property sale can present a live controversy, but Appellants do not seek that relief here. *See Christopher Vill., Ltd. P'ship v. Retsinas*, 190 F.3d 310, 314 (5th Cir. 1999) (finding a property sale did not moot a request for declaratory relief to serve as a predicate for a damages claim).

Because Appellants did not seek or obtain a stay pending appeal prior to the completion of the property sales they now challenge, we are powerless to grant any effectual relief.[5]

This appeal is DISMISSED as moot.

"the course of bankruptcy proceedings, in which a stay pending appeal is statutorily mandated." 404 F. App'x at 915. Those cases generally found the appeal moot. *Id.*

[5] Although Appellants argue in their briefing that the court may set aside the sales of Hermitage's property and order its return to them, they fail to brief, and therefore forfeit, this argument. *See Rollins v. Home Depot USA*, 8 F.4th 393, 397 (5th Cir. 2021); *see also Norris v. Causey*, 869 F.3d 360, 373 n.10 (5th Cir. 2017) (citing *Weaver v. Puckett*, 896 F.2d 126, 128 (5th Cir. 1990) (noting that a failure to adequately brief an issue constitutes abandonment)).