

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

CASE NO.: 23-24903-CIV-JB

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

RISHI KAPOOR, et al.,

Defendants.

**RECEIVER’S MOTION FOR AUTHORIZATION OF EMPLOYMENT OF
REAL ESTATE BROKER FOR VILLA VALENCIA CONDOMINIUM UNIT**

Bernice C. Lee, as Receiver (“Receiver”) over the companies¹ listed herein (collectively, the “Company Defendants” and “Receivership Defendants”) in this action, applies for authority to employ Josephine Wang, CIPS, and the firm of Brown Harris Stevens (together, the “Broker”), as a broker to assist the Receiver with the sale of certain real property in Coral Gables, and states:

BACKGROUND

1. On December 27, 2023, the Securities and Exchange Commission (“SEC”) filed an Emergency *Ex Parte* Motion for Asset Freeze and Other Relief [DE 6] under seal commencing this proceeding against Rishi Kapoor and the Company Defendants, to ensure that a disgorgement award can be satisfied and to prevent further dissipation of investor funds and potentially other assets out of the Court’s reach.

¹ The Receivership Companies include: Location Ventures, LLC, URBIN, LLC, Patriots United, LLC; Location Properties, LLC; Location Development, LLC; Location Capital, LLC; Location Ventures Resources, LLC; Location Equity Holdings, LLC; Location GP Sponsor, LLC; 515 Valencia Sponsor, LLC; LV Montana Sponsor, LLC; URBIN Founders Group, LLC; URBIN CG Sponsor, LLC; 515 Valencia Partners, LLC; LV Montana Phase I, LLC; Stewart Grove 1, LLC; Stewart Grove 2, LLC; Location Zamora Parent, LLC; URBIN Coral Gables Partners, LLC; URBIN Coconut Grove Partners, LLC; URBIN Miami Beach Partners, LLC; and URBIN Miami Beach II Phase 1, LLC.

2. On January 12, 2024, the Court entered an Order [DE 28] (“Receivership Order”) appointing Ms. Lee as Receiver over the Receivership Defendants.

3. Pursuant to the Receivership Order, the Receiver is directed *inter alia* to take exclusive control and possession of all assets of whatever kind and wherever situated of the Receivership Defendants (the “Receivership Estate”); is authorized to exercise the powers previously possessed by the officers, directors, managers, trustees and agents of the Receivership Defendants; has the power and duty to use reasonable efforts to determine the nature, location and value of all property interests of the Receivership Defendants; to take into custody, control and possession all Receivership Property and records relevant thereto; to take immediate possession of all assets, bank accounts or other financial accounts, books and records and all other documents or instruments relating to the Receivership Defendants; and to investigate the manner in which the financial and business affairs of the Receivership Defendants were conducted.

4. Pursuant to Paragraph 7.F of the Receivership Order, the Receiver is authorized to “engage and employ persons in her discretion to assist her in carrying out her duties and responsibilities, including, but not limited to, accountants, attorneys, securities traders, registered representatives, financial or business advisers, liquidating agents, real estate agents, forensic experts, brokers, traders, or auctioneers[.]”

5. Pursuant to Paragraph 51 of the Receivership Order, the Receiver, subject to obtaining Court approval of quarterly fee applications, is authorized to solicit persons and entities (“Retained Personnel”) to assist in carrying out the duties and responsibilities described in the Order. Paragraph 52 of the Receivership Order provides that subject to prior approval by the Court, Retained Personnel are entitled to reasonable compensation and expense reimbursement.

THE VILLA VALENCIA PROPERTIES

6. 515 Valencia Partners, LLC (“Valencia Partners”) and Location Ventures, LLC (“Location Ventures”) are Receivership Companies. Based on the operating agreement located by the Receiver, Valencia Partners is the 100% owner of 515 Valencia SPE, LLC (“Valencia SPE”), a copy of which is attached hereto as **Exhibit A**. The 2023 Annual Report filed by Valencia SPE with the Florida Division of Corporation indicates that Location Ventures is the manager of Valencia SPE. A copy of the 2023 Annual Report is attached hereto as **Exhibit B**.

7. Valencia SPE owns four private garages (PG-03, PG-06, PG-07, PG-08), two pool cabanas (cabana 3 and cabana 5), and four condominium units in a condominium building located at 515 Valencia Ave., Coral Gables, Florida 33134: (a) Unit 1301, folio no. 03-4117-096-0120, (b) Unit 1104, folio no. 03-4117-096-0390, (c) Unit 1202, folio no. 03-4117-096-0110, and (d) Unit 1201, folio 03-4117-096-0230 (each, a “Unit” and collectively, the “Units,” which may or may not include a private garage and/or cabana depending on the sale contract).

8. The Receiver has not engaged any broker with respect to the Units, and seeks authority to engage the Broker to assist with the sale of Unit 1301. The Receiver may at a later date seek to employ the Broker to assist with the sale of Units 1104, 1201 and 1202. The Broker has agreed to a reduced commission under the following terms (the “Proposed Engagement”) for Unit 1301:

- a) If there is a sale of Unit 1301 to a purchaser procured by the Broker, which sale is approved by the Court and closes, the Broker will be entitled to a four percent (4%) commission to be paid solely and exclusively from such Unit’s closing proceeds at closing and shall otherwise be without recourse to the Receivership Estate and Receivership Companies (the “Commission”). The Broker will offer a licensed buyer’s broker (“Buyer’s Broker”) the

following portion of the Commission as its real estate commission if its buyer's sale contract is approved by the Court and the buyer closes on the sale of Unit 1301: (i) the Broker will receive 2% of the Commission, and (ii) the Buyer's Broker will receive 2% of the Commission. If there is no Buyer's Broker involved in the sale of Unit 1301, the Receiver will retain 2% of the Commission; provided that, if there is no Buyer's Broker and the Broker brings in a buyer whose sale contract is approved by the Court and closes on the sale of Unit 1301, the Broker will receive an additional 1% for a total of 3% of the Commission, and the Receiver will retain 1% of the Commission.

- b) The Broker has agreed that any disputes relating to the Proposed Engagement will be subject to the jurisdiction of, and adjudicated by, the Court that appointed the Receiver.
- c) Any and all commissions to be paid shall be paid only upon closing and funding of the subject transaction, and only from the proceeds of the subject transaction.
- d) The Receiver retains the right to terminate the engagement of the Broker with respect to Unit 1301 upon 30 days' notice to the Broker after 180 days from the entry of the order approving this Motion, unless such Unit is under contract to be sold. The Receiver retains the right to administer Unit 1301 through another process other than a sale of Unit 1301, subject to the Court's approval.
- e) The sale or other disposition of Unit 1301 is subject to the Court's approval. With respect to Unit 1301, the Broker will not be entitled to any fee, commission or other compensation in the event the sale of such Unit fails to close for any reason whatsoever.

9. Ms. Wang is a highly regarded real estate professional, and in particular the luxury market, and has worked with multi-million residences in Miami since 1990, closed over \$2.9 billion in sales, and an extensive portfolio of clients throughout South Florida, nationally and

internationally.

10. As set forth in the Broker's Affidavit attached hereto as **Exhibit C**, the Broker has represented to the Receiver that it and its related parties: (a) are not investors in, or creditors of, the Receivership Companies, or their subsidiaries or affiliates, (b) have never been a director, officer, manager, member, investor, employee or agent of the Receivership Companies, or their subsidiaries or affiliates, and (c) have no direct or indirect relationship to, connection with, or interest in, the Receivership Companies, their subsidiaries or affiliates, or Rishi Kapoor.

WHEREFORE, the Receiver respectfully requests that this Court enter an order substantially in the same form as the proposed order attached hereto as **Exhibit D**: (a) approving the Receiver's employment of Josephine Wang, CIPS, and the firm of Brown Harris Stevens as her broker for Unit 1301 upon the terms and conditions set forth herein, (b) authorizing the Receiver to enter into the Proposed Engagement, and (c) granting such other such relief as the Court deems just and appropriate.

CERTIFICATION OF CONFERENCE WITH COUNSEL

Counsel for the SEC and counsel for defendant Rishi Kapoor have informed undersigned counsel that they do not oppose the relief requested herein.

Respectfully submitted,

KOZYAK TROPIN & THROCKMORTON, LLP
2525 Ponce de Leon Boulevard, 9th Floor
Coral Gables, Florida 33134
Tel: (305) 372-1800
Fax: (305) 372-3508
Email: dlr@kttlaw.com

By: /s/ David L. Rosendorf
David L. Rosendorf
Florida Bar No. 996823

Counsel for Bernice C. Lee, Receiver

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been served via CM/ECF upon all counsel of record this 28th day of June, 2024.

By: /s/ David L. Rosendorf
David L. Rosendorf

Exhibit A

OPERATING AGREEMENT OF 515 VALENCIA SPE, LLC

This Operating Agreement (the "Agreement") of 515 Valencia SPE, LLC, a Florida limited liability company (the "Company"), is made as of February 6, 2018 (the "Effective Date") by and between the Company and its sole member, 515 Valencia Partners, LLC, a Florida limited liability company (the "Member").

BACKGROUND

The Company was formed pursuant to Articles of Organization (the "Articles") filed with the Secretary of State of Florida and accepted of record on the Effective Date.

This Agreement sets forth the agreement among the parties as to the internal affairs of the Company and the conduct of its business. The parties, intending to be legally bound, agree as follows:

ARTICLE I.

Effective Date of Agreement; Enforceability.

On the Effective Date and thereafter until the parties amend this Agreement, all rights, duties and liabilities of the Company and of the Member shall be as set forth herein and as otherwise provided by applicable law. All prior operating agreements, if any, are hereby revoked.

ARTICLE II.

Company's Name, Purpose, etc.

The Company's name, purpose, registered agent, registered office and duration shall be as set forth in the Articles.

ARTICLE III.

Members of the Company on Date of the Company's Formation,
Capital Contributions and Distributions.

The Member of the Company and its capital contributions to the Company are as set forth on Exhibit A. The Member may, but is not obligated to, make additional capital contributions to the Company. The Company may make distributions at such times and in such amounts as determined by the Member.

ARTICLE IV.

Principal place of business of the Company.

The Company's principal place of business shall be as set forth in the Articles, or as modified from time to time by the Manager.

ARTICLE V.

Member Managed

Except as otherwise provided herein, the management of the business and internal affairs of the Company shall be vested in the Member. All actions and decisions of the Company shall be made by the Member.

ARTICLE VI.

Taxation of the Company and Member.

The Company shall elect to be treated as a disregarded entity based on the fact that it is wholly owned by the Member.

ARTICLE VII.

Annual Accounting period of the Company; Method of Accounting.

The Company's annual accounting period for financial and tax purposes shall be the calendar year and the Company shall use whatever method of accounting (accrual, cash or hybrid) deemed appropriate by the Member from time to time.

ARTICLE VIII.

Single Purpose Entity Provisions

To the extent there is any conflict between the provisions of this Article VIII and any other provision of this Agreement, this Article VIII shall control. The nature of the business and the purposes to be conducted and promoted by the Company is to engage solely in the following activities: (i) to develop, own, hold, sell, lease, assign, transfer, operate, maintain, mortgage, pledge and otherwise deal with those certain parcels of real property, together with all improvements located thereon, at 501, 515 and 525 Valencia Avenue, Coral Gables, Florida 33134 (the "Property"); and (ii) to exercise all limited liability company powers enumerated in the Revised Limited Liability Company Act, Florida Statutes, Chapter 605, as the same may be amended, necessary or convenient to the conduct, promotion or attainment of the business or purposes otherwise set forth herein.

- (i) Will not own and will not acquire or own any assets other than the Property;
- (ii) Will not make any loan or advances to any person or entity;
- (iii) Will remain solvent and pay its own liabilities, indebtedness, ad obligations of all kinds from its own separate assets as the same shall become due;
- (iv) Will preserve its existence and continuously maintain its existence as an entity duly organized, validly existing and in good standing under the laws of the State of Florida and shall be qualified to do business in the State of Florida;
- (v) Will maintain books and records and bank accounts separate and apart from those of any partner, member, principal, affiliate or other person or entity;
- (vi) Will at all times hold itself out to the public as a legal entity separate and distinct from any other person or entity, and not as a department or division of any person or entity, and will conduct its affairs solely in its own name in order not to mislead others as to the entity which which such other person or entity is a transaction business, or suggest that the Company is responsible for the debts of any third party;
- (vii) Will maintain adequate capital for the normal obligations reasonably foreseeable in a business of its size and character and in light of its contemplated business operations;
- (viii) Will not seek, acquiesce in, or suffer or permit the liquidation, dissolution or winding up, in whole or in part, the Company;
- (ix) Will not enter into any transaction of merger or consolidation, or acquire by purchase or otherwise all or substantially all of the business or assets of, or any stock or beneficial ownership of, any person or entity;
- (x) Will not commingle or permit to be commingled its funds or other assets with those of any other person or entity;

- (xi) Will maintain its assets in such a manner that it is not costly or difficult to segregate, ascertain or identify its individual assets from those of any other person or entity;
- (xii) Will not hold itself out to be responsible for the obligations of any other party;
- (xiii) Will not guarantee or otherwise become liable on or in connection with any obligation of any other person or entity;
- (xiv) Will not do any act which would make it impossible to carry on its ordinary business;
- (xv) Will not, except for funds deposited into the accounts in accordance with the Loan Agreement and related documents and in the ordinary course of its business, hold title to its assets other than in its name;
- (xvi) Will not own any subsidiary or make any investment in or acquire the obligations or securities of any other person or entity; and
- (xvii) Will correct any known misunderstandings regarding the separate identify of the Company.

ARTICLE IX.
Miscellaneous Provisions.

- (i) Entire agreement. This Agreement contains the entire agreement between the parties concerning its subject matter, and it replaces all earlier agreements between them, whether written or oral, concerning its subject matter.
- (ii) Amendments. No amendment of this Agreement shall be valid unless approved in writing by the Member.
- (iii) Governing law. This Agreement shall be governed by the laws of the State of Florida.
- (iv) Severability. If any provisions of this Agreement or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of the Agreement and the application of such provisions to other persons or circumstances shall not be affected thereby, and the intent of this Agreement shall be enforced to the greatest extent permitted by law.
- (v) Captions. Captions in this Agreement are for convenience only and shall be deemed irrelevant in construing its provisions.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement under seal as of the date first above written:

[signatures on next page]

[signature page for Operating Agreement of 515 Valencia SPE, LLC]

THE MEMBER

515 Valencia Partners, LLC

a Florida limited liability company, its Member Manager

By: 515 Valencia Sponsor, LLC

a Florida limited liability company, its Manager



Rishi Kapoor, Manager



Daniel Motha, Manager

EXHIBIT A

515 VALENCIA SPE, LLC SCHEDULE OF MEMBERS AND CAPITAL CONTRIBUTIONS

NAME	<u>MEMBERS</u>	
	ADDRESS	INITIAL CAPITAL CONTRIBUTION
515 Valencia Partners LLC	2665 S. Bayshore Drive Suite 1101 Miami, Florida 33133	\$10.00

Exhibit B

2023 FLORIDA LIMITED LIABILITY COMPANY AMENDED ANNUAL REPORT

FILED

Sep 14, 2023

Secretary of State

0798739760CC

DOCUMENT# L18000034009

Entity Name: 515 VALENCIA SPE, LLC

Current Principal Place of Business:

299 ALHAMBRA CIRCLE
SUITE 510
CORAL GABLES, FL 33134

Current Mailing Address:

299 ALHAMBRA CIRCLE
SUITE 510
CORAL GABLES, FL 33134 US

FEI Number: 85-2142822

Certificate of Status Desired: No

Name and Address of Current Registered Agent:

ARAN, CORREA & GUARCH PA
2100 SALZEDO STREET
SUITE 303
CORAL GABLES, FL 33134 US

The above named entity submits this statement for the purpose of changing its registered office or registered agent, or both, in the State of Florida.

SIGNATURE: FERNANDO ARAN

09/14/2023

Electronic Signature of Registered Agent

Date

Authorized Person(s) Detail :

Title: MANAGER
Name: LOCATION VENTURES, LLC
Address: 2100 SALZEDO STREET
SUITE 303
City-State-Zip: CORAL GABLES FL 33134

I hereby certify that the information indicated on this report or supplemental report is true and accurate and that my electronic signature shall have the same legal effect as if made under oath; that I am a managing member or manager of the limited liability company or the receiver or trustee empowered to execute this report as required by Chapter 605, Florida Statutes; and that my name appears above, or on an attachment with all other like empowered.

SIGNATURE: ALAN FINE

MANAGER OF LOCATION 09/14/2023
VENTURES LLC

Electronic Signature of Signing Authorized Person(s) Detail

Date

Exhibit C

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

CASE NO.: 23-24903-CIV-JB

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

RISHI KAPOOR; *et al.*,

Defendants.

BROKER'S AFFIDAVIT

BEFORE ME, the undersigned, personally appeared Josephine Wang, CIPS ("Affiant"), individually and as the agent for Brown Harris Stevens (together the "Broker") and its assigns, affiliates, subsidiaries and other related companies (collectively with the Affiant, the "Broker Parties"), who being first duly sworn by me on oath says as follows:

1. This Broker's Affidavit is provided in support of the Receiver's Motion for Authorization of Employment of Real Estate Broker for Villa Valencia Condominium Units (the "Motion") filed in the above-referenced case.
2. The Broker Parties are not investors in, or creditors of, the Receivership Companies, or their subsidiaries or affiliates.¹
3. The Broker Parties have never been a director, officer, manager, member, investor, employee or agent of the Receivership Companies, or their subsidiaries or affiliates.
4. The Broker Parties have no direct or indirect relationship to, connection with, or interest in, the Receivership Companies, their subsidiaries or affiliates, or Rishi Kapoor.

¹ The "Receivership Companies" are: Location Ventures, LLC, URBIN, LLC, Patriots United, LLC; Location Properties, LLC; Location Development, LLC; Location Capital, LLC; Location Ventures Resources, LLC; Location Equity Holdings, LLC; Location GP Sponsor, LLC; 515 Valencia Sponsor, LLC; LV Montana Sponsor, LLC; URBIN Founders Group, LLC; URBIN CG Sponsor, LLC; 515 Valencia Partners, LLC; LV Montana Phase I, LLC; Stewart Grove 1, LLC; Stewart Grove 2, LLC; Location Zamora Parent, LLC; URBIN Coral Gables Partners, LLC; URBIN Coconut Grove Partners, LLC; URBIN Miami Beach Partners, LLC; and URBIN Miami Beach II Phase 1, LLC.

5. That Affiant is of legal age, under no legal disability, and has never been known by any name other than that show above.

6. Affiant further states that Affiant is familiar with the nature of an oath and with the penalties, as provided by the laws of the United States for falsely swearing to statements made in an instrument of this nature.

IN WITNESS WHEREOF, this Broker's Affidavit is executed this 12th day of June, 2024.

By: Josephine Wang
Josephine Wang, individually and on behalf of Brown Harris Stevens, and its assigns, affiliates, subsidiaries and other related companies

STATE OF FLORIDA)
) ss.
COUNTY OF MIA-DADE)

I HEREBY ACKNOWLEDGE that on this day, before me, an officer duly authorized in the State aforesaid and in the County aforesaid to take acknowledgements, the foregoing instrument was sworn to and acknowledged in my physical presence or by online notarization, by Josephine Wang, individually and on behalf of Brown Harris Stevens, and its assigns, affiliates, subsidiaries and other related companies, who is personally known to me or who provided FLDL# [REDACTED] as identification.

WITNESS my hand official seal in the County and State last aforesaid this ___ day of May 2024.

Sandra Avila
Notary

SANDRA AVILA
Typed, printed or stamped name Notary Public
My Commission Expires

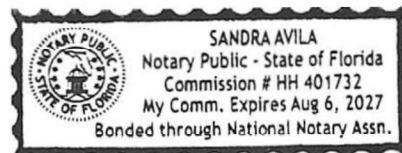


Exhibit D

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

CASE NO.: 23-24903-CIV-JB

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

RISHI KAPOOR; *et al.*,

Defendants.

ORDER GRANTING RECEIVER'S MOTION FOR AUTHORIZATION
OF EMPLOYMENT OF REAL ESTATE BROKER FOR VILLA
VALENCIA CONDOMINIUM UNIT

THIS CAUSE came before the Court upon Bernice C. Lee's Motion for Authorization of Employment of Real Estate Broker for Villa Valencia Condominium Unit. ECF No. [____]. Upon due consideration of the Motion, being advised that the parties do not object to the relief sought, and finding that good cause exists, it is hereby **ORDERED AND ADJUDGED** that the Receiver's Motion, ECF No. [____] is **GRANTED**. The Receiver is authorized to enter into the Proposed Engagement described in the Motion for Unit 1301 (as defined in the Motion), and the Proposed Engagement is approved. The Receiver is authorized to employ Josephine Wang, CIPS, and the firm of Brown Harris Stevens as her real estate broker to assist with the sale of the real property described in the Receiver's Motion.

DONE AND ORDERED in Miami, Florida this ____ day of _____, 2024.

JACQUELINE BECERRA
UNITED STATES DISTRICT JUDGE