

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 TO EMPLOY REAL ESTATE
BROKER FOR VILLA VALENCIA CONDOMINIUM UNITS**

Bernice C. Lee, as Receiver ("Receiver") over the companies¹ listed herein (collectively, the "Receivership Companies") in this action, applies for authority to employ Toni Schrager and Lauren Schrager of Brown Harris Stevens, as the brokerage (collectively, "Schrager") 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 Receivership Companies, to ensure that a disgorgement award can be satisfied and to prevent further dissipation of investor funds and

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.

potentially other assets out of the Court's reach.

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

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 Companies (the "Receivership Estate"); is authorized to exercise the powers previously possessed by the officers, directors, managers, trustees and agents of the Receivership Companies; and has the power and duty to use reasonable efforts to determine the nature, location and value of all property interests of the Receivership Companies, 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 Companies, and to investigate the manner in which the financial and business affairs of the Receivership Companies 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 AND PRIOR BROKER ENGAGEMENT

6. 515 Valencia Partners, LLC (“Valencia Partners”) and Location Ventures, LLC (“Location Ventures”) are Receivership Companies. Valencia Partners is the 100% owner of 515 Valencia SPE, LLC (“Valencia SPE”). The 2023 Annual Report filed by Valencia SPE with the Florida Division of Corporation indicates that Location Ventures is the manager of Valencia SPE.

7. Valencia SPE presently owns Units 1201, 1202 and 1301 in a condominium building located at 515 Valencia Ave., Coral Gables, Florida 33134 (each, a “Unit” and collectively, the “Units”).² Valencia SPE also owns rights in three private garages (PG-03, PG-06 and PG-07), two pool cabanas (cabana 3 and cabana 5), and certain parking spaces. The Units are unfinished with no interior walls.

8. Prior to the SEC action and receivership, Valencia SPE entered into a purchase agreement with certain individuals for Unit 1201 and Unit 1202. The pre-receivership purchaser for Unit 1201 has entered into a stipulation with the Receiver and other parties to recover the initial 10% deposit against the bond and terminate the purchase agreement [DE 356, 427].

9. The Receiver previously sought to employ Josephine Wang, CIPS and the firm of Brown Harris Stevens³ for Unit 1301 (“Unit 1301 Broker”), and on July 3, 2024, the Court entered the Order Granting Receiver’s Motion for Authorization of Employment of Real Estate Broker for Villa Valencia Condominium Unit [DE 189]. Under the terms of that engagement, the Receiver has the right to terminate the engagement of the Unit 1301 Broker upon 30 days’ notice after 180 days from the entry of the Order approving the engagement. That 180-day period has now passed.

10. Through this Motion, the Receiver seeks to employ Schrager as broker to assist with

² Unit 1104 is a finished Unit, which the Receiver was able to sell without a broker.

³ Both Ms. Wang and Ms. Schrager are affiliated with the Brown Harris Stevens firm.

the sale of Unit 1201 and Unit 1202, with the option (at the Receiver's discretion) to expand the engagement to Unit 1301 as well as set forth below. Schrager has agreed to a reduced commission under the following terms (the "Proposed Engagement"):

- a) Except as set forth below, if there is a sale of Unit 1201 or Unit 1202 to a purchaser procured by Schrager, which sale is approved by the Court and closes, Schrager will be entitled to a 2.5% commission ("Seller's Broker Commission"), and will offer a licensed buyer's broker ("Buyer's Broker") a 2.5% commission if its buyer's sale contract is approved by the Court and the buyer closes on the sale of Unit 1201 or Unit 1202 ("Buyer's Broker Commission"). If Schrager also represents a buyer of Unit 1201 or Unit 1202 in a sale which is approved by the Court and closes, Schrager will be entitled to an additional 1.5% commission as Buyer's Broker for a total commission of 4%. All commissions hereunder shall be paid solely and exclusively from such Unit's closing proceeds and shall otherwise be without recourse to the Receivership Estate and Receivership Companies, and shall be payable at closing without further Court order.
- b) Notwithstanding the foregoing, in the event the buyer that closes on the sale of Unit 1201 or Unit 1202 is one of the purchasers under the pre-receivership purchase agreements, a lender with a claim against Unit 1201 and/or Unit 1202, or a buyer not procured by Schrager via representing the buyer or through a Buyer's Broker (including a buyer the Receiver dealt with prior to Schrager's employment), or their assignees or other related party, Schrager will not be entitled to any commission. Further, in the event the Receiver administers Unit 1201 or Unit 1202 in a different manner, Schrager will not be entitled to any commission. Schrager understands that the Receiver has had discussions with the foregoing parties regarding a possible resolution that may include an "as is where is" sale.

- c) Schrager 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.
- d) Any and all commissions or other expenses shall be paid only upon closing and funding of the subject transaction, and only from the proceeds of the subject transaction.
- e) The Receiver retains the right to terminate the engagement of Schrager with respect to Unit 1201 or Unit 1202 upon 30 days' notice to Schrager 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 1201 or Unit 1202 through another process other than a sale of Unit 1201 or Unit 1202.
- f) The sale or other disposition of Unit 1201 and Unit 1202 is subject to the Court's approval. With respect to Unit 1201 and Unit 1202, Schrager 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.
- g) At the Receiver's option, which may be exercised in her sole discretion and without further Court order, the engagement of Schrager may be expanded to include Unit 1301, subject to the same terms as those set forth above, in the event the Receiver terminates the listing with the Unit 1301 Broker. Upon termination of the Unit 1301 listing with the Unit 1301 Broker by the Receiver, the Unit 1301 Broker will not be entitled to any compensation as Receiver's broker from any sale of the Units, or any claim against the Receivership Companies or the Receivership Estate.

11. Toni Schrager is a highly regarded realtor with a particular focus on the South Florida luxury real estate market, who has closed over \$2 billion in sales.

12. As set forth in the Affidavits attached as Exhibit A hereto, and except for (a) the

Receiver's prior employment of the Unit 1301 Broker (also affiliated with Brown Harris Stevens), and (b) Toni and Lauren Schrager's representation of the seller of the Los Pinos Property by its lender following foreclosure,⁴ and as otherwise set forth in the attached Affidavit, Toni and Lauren Schrager, and Brown Harris Stevens are disinterested and have represented to the Receiver that they and their 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 B**: (a) approving the Receiver's employment of Toni Schrager, Lauren Schrager, and Brown Harris Stevens, as the brokerage to assist with the sale of Unit 1201 and Unit 1202 upon the terms and conditions set forth herein, (b) authorizing the Receiver to enter into the Proposed Engagement, (c) authorizing the Receiver, in her discretion and upon termination of the Unit 1301 Broker's engagement, to expand the Proposed Engagement to include Unit 1301 without further Court order on the terms set forth herein, and (d) granting such other such relief as the Court deems just and appropriate.

⁴ The Los Pinos Property was previously owned by an entity ultimately controlled by Rishi Kapoor. As authorized by Court orders, ECF No. [175, 254], the lender on the Los Pinos Property – Los Pinos Acquisition LLC, which is affiliated with 515 Valencia Acquisition, LLC – completed a foreclosure sale of the Los Pinos Property, and subsequently sold it with Ms. Schrager acting as a co-broker.

CERTIFICATION OF CONFERENCE WITH COUNSEL

Counsel for the SEC and counsel for defendant Rishi Kapoor have informed undersigned counsel that they have no objection to 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
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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 11th day of June, 2025.

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

EXHIBIT A

**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.

_____ /

AFFIDAVIT OF TONI SCHRAGER

BEFORE ME, the undersigned, personally appeared Toni Schrager (“Affiant”), individually and on behalf of Brown Harris Stevens, 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 Affidavit is provided in support of the Receiver’s Motion for Authorization to Employ 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, except that (a) Broker Parties represented the seller in the purchase and sale of a property located at 7233 Los Pinos Boulevard, Coral Gables, Florida (the “Los Pinos Property”) by Los Pinos Acquisition

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.

LLC, the lender who obtained title of the Los Pinos Property following foreclosure, which Los Pinos Property was previously owned by an entity controlled by Rishi Kapoor, and which lender is affiliated with 515 Valencia Acquisition, LLC, a creditor of the entity that owns the Villa Valencia Condominium Units; and (b) Affiant is affiliated with Brown Harris Stevens, as is Josephine Wang, who has been engaged by the Receiver as the broker for the Unit 1301 at the Villa Valencia property.

5. The Broker Parties do not have an interest that is materially adverse to the interests of the Receivership estate.

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

7. 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 10 day of June, 2025.

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

Virginia
STATE OF ~~FLORIDA~~ WN)
Newport News,) ss.
COUNTY OF ~~MIAMI DADE~~ WN)

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 **Toni Schrager, 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 _____ license as identification.

WITNESS my hand official seal in the County and State last aforesaid this ____ day of 06/10/2025 2025.



Winston Ndow 8040550

Notary
Winston Ndow
Typed, printed or stamped name Notary Public
My Commission Expires 02/28/2027

Notarized remotely online using communication technology via Proof.

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.

AFFIDAVIT OF LAUREN SCHRAGER

BEFORE ME, the undersigned, personally appeared Lauren Schrager ("Affiant"), individually and on behalf of Brown Harris Stevens, 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 Affidavit is provided in support of the Receiver's Motion for Authorization to Employ 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, except that (a) Broker Parties represented the seller in the purchase and sale of a property located at 7233 Los Pinos Boulevard, Coral Gables, Florida (the "Los Pinos Property") by Los Pinos Acquisition

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 I, LLC.

LLC, the lender who obtained title of the Los Pinos Property following foreclosure, which Los Pinos Property was previously owned by an entity controlled by Rishi Kapoor, and which lender is affiliated with 515 Valencia Acquisition, LLC, a creditor of the entity that owns the Villa Valencia Condominium Units; and (b) Affiant is affiliated with Brown Harris Stevens, as is Josephine Wang, who has been engaged by the Receiver as the broker for the Unit 1301 at the Villa Valencia property.

5. The Broker Parties do not have an interest that is materially adverse to the interests of the Receivership estate.

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

7. 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 6 day of June, 2025.

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

STATE OF FLORIDA)
) ss.
COUNTY OF MIAMI 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 **Lauren Schrager, 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 DRIVER LICENSE as identification.

Sure WITNESS my hand official seal in the County and State last aforesaid this 6th day of June, 2025.

Stanley Moore
Notary

Typed, printed or stamped name Notary Public
My Commission Expires

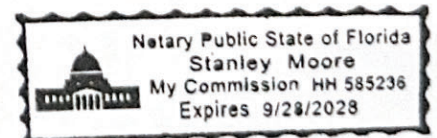


EXHIBIT B

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 TO EMPLOY
REAL ESTATE BROKER FOR VILLA VALENCIA CONDOMINIUM UNITS**

THIS CAUSE came before the Court upon the Receiver, Bernice C. Lee's Motion for Authorization to Employ Real Estate Broker for Villa Valencia Condominium Units, 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**.

1. The Proposed Engagement¹ is approved.
2. The Receiver is authorized to employ Toni Schrager, Lauren Schrager and Brown Harris Stevens, as the brokerage (collectively, "Schrager") to assist with the sale of the real property described in the Receiver's Motion.
3. The Receiver is authorized to enter into the Proposed Engagement described in the Motion for Units 1201 and 1202 with the option, at the Receiver's sole discretion

¹ Capitalized terms not defined herein shall have the definitions provided for in the Motion.

and without further Court order, to expand the engagement to Unit 1301 in the event the Receiver terminates the listing with the current Unit 1301 Broker.

4. The Receiver shall be entitled to compensate Schrager for commission in accordance with the Proposed Engagement solely and exclusively from a Unit's closing proceeds, which commission shall be payable at closing without further Court order.
5. Upon termination of the Unit 1301 listing with the Unit 1301 Broker by the Receiver, the Unit 1301 Broker will not be entitled to any compensation as Receiver's broker from any sale of the Units, or any claim against the Receivership Companies or the Receivership Estate.

DONE AND ORDERED in Miami, Florida this ____ day of ____, 2025.

JACQUELINE BECERRA
UNITED STATES DISTRICT JUDGE