

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

CASE NO.: 23-cv-24903-JB

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

RISHI KAPOOR; *et al.*,

Defendants.

**ORDER GRANTING RECEIVER'S MOTION TO APPROVE SALE OF
VILLA VALENCIA UNIT 1201 PROPERTY FREE AND CLEAR**

THIS CAUSE came before the Court upon the Receiver, Bernice C. Lee's Motion to Approve Sale of Villa Valencia Unit 1201 Property Free and Clear (the "Motion"). ECF No. [495]. No opposition to the Motion has been filed, the time to do so has passed, and no extension of time was requested. The Court has carefully considered the Motion, and the accompanying exhibits, as well the pertinent portions of the record and the relevant legal authorities. For the reasons explained more fully below, the Motion is **GRANTED**.

I. BACKGROUND

On December 27, 2023, the Securities and Exchange Commission filed a Complaint for Injunctive Relief against Rishi Kapoor ("Kapoor") and the Receivership Companies alleging that Kapoor used the Receivership Companies to operate a real estate scheme in violation of the anti-fraud provisions of the federal securities law raising approximately \$93 million from more than 50 investors from January 2018

through March 2023. *See generally* Compl., ECF No. [14-1]. On January 12, 2024, the Court entered an Order appointing Bernice C. Lee as receiver “for the estate of the Receivership Companies, including any of [their] divisions, subsidiaries, affiliates, successors, and assigns; and any fictitious business entities or business names created or used by the Receivership Companies, their divisions, subsidiaries, affiliates, successors, and assigns.” (“Receivership Order”). ECF No. [28] at ¶ 2.

The Receivership Order authorizes the Receiver to sell real property in the Receivership Estate, either at public or private sale, on terms and in the manner the Receiver deems most beneficial to the Receivership Estate, and with due regard to the realization of the true and proper value of such real property. *Id.* at ¶ 32. The Receivership Order further provides that “[u]pon further Order of the Court, pursuant to such procedures as may be required by the Court and additional authority such as 28 U.S.C. sections 2001 and 2004, the Receiver is authorized to sell, and transfer clear title to, all real property in the Receivership Estate.” *Id.* at ¶ 33.

On January 24, 2024, the Court entered an Order approving the parties’ Stipulation Waiving Requirements of 28 U.S.C. § 2001(a) and (b) in Connection with Real Property Sale Motion (the “Section 2001 Order”). ECF No. [51]. The Section 2001 Order provides that “[t]he Receiver is excused from compliance with 28 U.S.C. section 2001 in connection with the sale of real property in this case.” ECF No. [51].

A. The Unit 1201 Property

515 Valencia SPE, LLC (“Valencia SPE”) owns condominium unit 1201 in a building located at 515 Valencia Ave. Coral Gables, Florida 33134 (the “Valencia

Building”). ECF No. [495] at ¶ 8. 515 Valencia Partners, LLC is a Receivership Company that is the sole owner of Valencia SPE. *Id.*; ECF Nos. [495-1], [495-2]. Location Ventures, LLC is a Receivership Company and manager of Valencia SPE. *Id.* The Valencia Building is a luxury 13-story residential condominium building consisting of 39 units. *Id.* at ¶ 9. Of the 39 units, 35 were sold by Valencia SPE prior to the Receiver’s appointment, one finished unit was previously sold by the Receiver, and three remain with the Receivership Estate. *Id.* The Valencia Building has a temporary certificate of occupancy from the City of Coral Gables. *Id.* It does not currently have a final certificate of occupancy. *Id.* Unit 1201 is currently unfinished. *Id.* at ¶ 10. The purchaser of the unit will be responsible for completing construction, including engaging contractors, purchasing parties, obtaining all required governmental approvals, permits, and inspections. *Id.*

On July 22, 2025, the Court entered an Order Granting in Part and Denying in Part Receiver filed a Motion for Authorization to Employ Real Estate Broker for Villa Valencia Condominium Units, which approved the Receiver’s engagement of Toni Schrager and Lauren Schrager of Brown Harris Stevens, as the brokerage (the “Seller’s Broker”) for Unit 1201. ECF No. [438]. The Seller’s Broker listed Unit 1201 for sale at an initial list price of \$4.9 million.

On December 17, 2025, the Receiver received a contract to purchase Unit 1201 for a purchase price of \$3,200,000 (the “Sale Contract”) from Julio M. Maceira and Andrea O. Maceira (together, the “Buyer”). ECF Nos. [495] at ¶ 15; [495 - Ex. 3]. This was the highest offer that was received. *Id.* The Sale Contract is for an “all cash”

transaction with no financing contingencies. *Id.* at ¶ 15. The unit is encumbered by liens in favor of 515 Valencia Acquisition, LLC (the “Lender”), which has filed a foreclosure action and sought 24.99% default interest, the Halpern Family Trust (the “Halpern Trust”), and various lien claimants. *Id.* at ¶ 2, 18-22.

B. The Sale Motion and Notice

The Receiver filed the Motion seeking the Court’s approval to sell the Unit 1201 Property (defined below) free and clear of any liens, claims, interests and encumbrances, and to pay at closing unpaid real estate taxes, the commission due to the Seller’s Broker, and the seller’s fees and costs specified in the Sale Contract. ECF No. [495]. The Receiver intends to establish a Valencia Lien Claim Fund (as defined below) to hold the Net Sale Proceeds (as defined below) and proposes that all liens, claims, interests and encumbrances asserted through the closing date will attach to the Net Sale Proceeds with the same priority, extent and validity as they had prior to the Receivership. *Id.* at ¶ 23. The Receiver will file an appropriate pleading to address the allocation and disbursement of the Net Sale Proceeds at a later date, with notice to be provided to all lien claimants known to the Receiver who may assert a lien claim and/or object to the distribution or allocation of the Valencia Lien Claim Fund. *Id.* at ¶ 25. To the best of the Receiver’s knowledge, all interested parties have received notice of the Motion. *Id.* at ¶ 26.

The Receiver argues that it is in the best interest of the receivership estate to consummate the sale of the Unit 1201 Property under the Sale Contract, and the sale will provide a significant benefit to the Receivership Estate and claimants. *Id.* at 12-

15. The sale will generate significant funds to pay real estate taxes, reduce additional claims of the condominium association after closing as the Buyer will be responsible for paying such amounts, and provide a significant amount of net proceeds that the Receiver will separately account for (the “Valencia Lien Claim Fund”) to be used to provide a source of payment to lien claimants as determined and approved by the Court. *Id.* at 14. The offer is all cash with no financing contingencies. *Id.* at 14-15. Because Unit 1201 is raw and unfinished, it will likely make it difficult for potential buyers to secure financing. *Id.* at 15. The new owner will be required to complete construction, hire contractors, purchase materials, and obtain the appropriate permits. *Id.*

II. ANALYSIS

“The district court has broad powers and wide discretion to determine relief in an equity receivership.” *S.E.C. v. Elliott*, 953 F.2d 1560, 1566 (11th Cir. 1992) (citations omitted). This Court has previously determined that this includes the power to authorize a sale of real property free and clear of liens, claims, interests and encumbrances, provided that such liens and interests attach to the proceeds of sale with the same priority, extent and validity as they had prior to the receivership, and will be distributed only upon court order following notice to all lien claimants. *See* ECF No. [185] and [216]. The Receiver has shown that the proposed sale will maximize the value of the Unit 1201 Property, particularly since the Sale Contract is the highest offer received, with no financing contingencies, after the Seller’s Broker marketed Unit 1201 for over 75 days. ECF No. [495] at 14. Further, because Unit

1201 is in a raw and unfinished condition, potential purchasers will likely face difficulty obtaining financing, and the new owner will be solely responsible for completing construction, engaging contractors, purchasing parties, obtaining all required governmental approvals, permits, and inspections. *Id.* at 14-15.

III. CONCLUSION

For the foregoing reasons, and finding that good cause exists, it is hereby **ORDERED AND ADJUDGED** as follows:

1. The Receiver's Motion, ECF No. [495], is **GRANTED**.
2. All interested parties listed in the service list for the Motion have had the opportunity to object to the relief granted by this Order and, to the extent that any objections have not been withdrawn or resolved by stipulation prior to the entry of this Order or are not resolved by the relief granted herein or as stated in the record, all such objections are hereby overruled.
3. The Receiver is authorized to enter into the Sale Contract attached to the Motion as Exhibit 3, and the Receiver, as the Receiver over 515 Valencia Partners, LLC, the owner of Valencia SPE, and Location Ventures, LLC the manager of Valencia SPE, is authorized to execute the receiver's deed, title affidavit and assignment of parking spaces and private garage attached to the Sale Contract, and other documents necessary for the proposed sale.
4. While the sale of the Unit 1201 Property shall be free and clear of liens,

claims, interests and encumbrances as stated in Paragraphs 5 and 6 below, all such liens, claims, interests and encumbrances against the Unit 1201 Property, including, but not limited to, those described in the Receiver's Motion and those asserted through the closing date, are not extinguished, but rather, will attach to the Net Sale Proceeds, with the same priority, extent and validity as they had prior to the Receivership.

5. The sale of the real property located at 515 Valencia Avenue, Unit 1201, Coral Gables, FL 33134, legally described on Exhibit A of the Sale Contract, together with Seller's interests, if any, in the appurtenances, rights, easements, rights-of-way, tenements and hereditaments incident thereto and all improvements and fixtures located on the property, and the assignment of right to use the private garage (Garage PG-07) and two parking spaces (2-06 and 2-05) as described in the Sale Contract (collectively, the "Unit 1201 Property"), to the Buyer, free and clear of all liens, claims, interests and encumbrances, including, but not limited to, the mortgages, liens, *lis pendens*, notices of commencements, claims, interests and encumbrances described in the Receiver's Motion and those asserted through the closing date, is approved on an as-is, where-is basis, without representations or warranties from the Receiver.
6. The mortgages, liens, *lis pendens*, notices of commencements, claims, interests and encumbrances described in the Receiver's Motion are:
 - a. The mortgage from Valencia SPE in favor of Valencia 34, LLC, recorded in Book 30930, Page 2665, as amended and restated

in Book 31520, Page 2916, Second Amended and restated in Book 32204, Page 1596, Loan Extension and Modification Agreement in Book 31432, Page 1827, Subordination Agreement in Book 32236, Page 2390, as assigned to RLC Funding LLC, a Florida limited liability company, in Book 33544, Page 1124 and Notice of Future Advance recorded in Book 33544, Page 1127, as further assigned to Lender by instrument at Book 33896, Page 684;

- b. The mortgage from Valencia SPE in favor of The Halpern Family Trust, a Florida statutory trust, recorded in Book 31467, Page 168, as subordinated in Book 31520, Page 2936 and in Book 31520, Page 2959, as Amended and Restated in Book 31833, Page 4919, Second Amended and Restated in Book 32199, Page 1845, Third Amended and Restated in Book 32507, Page 3478 and Fourth Amended and Restated in Book 32553, Page 36 and Subordination of Mortgage in Book 33544, Page 1139;
- c. UCC-1 Financing Statement naming Altamar Financial Group, LLC as secured party and Valencia SPE as debtor, filed July 7, 2019, recorded in Book 31520, Page 2938;
- d. UCC-1 Financing Statement naming 2EE LLC as secured party and Valencia SPE as debtor, filed November 20, 2020, recorded in Book 32204, Page 1625 and assignment recorded in Book 33896 Page 684;
- e. Claim of Lien in favor of Winmar Construction Inc., recorded in Book 34010 Page 4732; Book 33875 Page 2451, Book 33808, Page 1780, Book 33808, Page 2790, Book 33808, Page 2791, Book 33776, Page 2575, Book 33812, Page 1901; Book 33767 Page 4206; Book 33845, Page 4913; Book 34010 Page 4732; Book 33875 Page 2451;
- f. Claim of Lien in favor of 515 Valencia Condominium Association, Inc., recorded in Book 33918 Page 1274;
- g. Notice(s) of Commencement recorded in Book 33757, Page 3173, and Book 33757, Page 4087 both in favor of Winmar Construction, Inc.;
- h. Notice of Lis Pendens recorded in Book 33817, Page 4393, and Case No. 2023-0120161-Ca-01, styled Paramount Finishes,

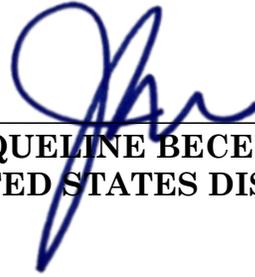
LLC v. 515 Valencia SPE, LLC;

- i. Notice of Lis Pendens recorded in Book 33966 Page 209 and Book 33968 Page 1130, and Case No. 2023-026087-CA-01, styled J & P Tiles, Inc., a Florida for Profit Corporation v. 515 Valencia SPE, LLC, a Florida Limited Liability Company;
 - j. Notice of Lis Pendens recorded in Book 33966 Page 4807, and Case No. 2023-026195-CA-01, styled 515 Valencia Acquisition, LLC, a Florida limited liability company v. 515 Valencia SPE, LLC, a Florida limited liability company, Rishi Kapoor, an Individual; Daniel J Motha, an Individual; The Halpern Family Trust, a Florida Statutory Trust; Marty Halpern, as Trustee of the Halpern Family Trust; J & P Tiles, Inc., a Florida Corporation, A 1 A SOD, Sand and Soil, Inc., a Florida Corporation; Paramount Finishes, LLC, a Florida limited Liability company, DDA Engineers, P.A., a Florida Professional association; Paragon Painting and Waterproofing Inc., a Florida corporation; Winmar Construction, Inc., a Florida corporation; Pronto Waster Service Inc., a Florida Corporation; AWM Group, LLC, a Florida limited liability company, AM Studio Design LLC, a Florida limited liability company; Metropolitan Plumbing Inc., a Florida Corporation; 515 Valencia Condominium Association, Inc., a Florida not for profit corporation; 515 Valencia Partners LLC, a Florida limited liability company; 515 Valencia Sponsor, LLC, a Florida limited liability company; Location GP Sponsor LLC, a Florida Limited Liability Company, Location Ventures, LLC, a Florida Limited Liability Company, and Unknown tenants in Possession Nos 1-5;
 - k. All liens and/or assessments asserted by the 515 Valencia Condominium Association, Inc.; and
 - l. Any condominium maintenance assessments, special assessment, late fees and other amounts that 515 Valencia Condominium Association, Inc. may assert as a lien or claim relating to the Unit 1201 Property.
7. Any licensed title insurer, title agent, escrow agent, closing agent, settlement agent, and the Buyer may rely conclusively upon this Order and the Receiver's Deed executed pursuant to this Order as authorizing

the transfer of legal title to the real property described in paragraph 5 to Buyer.

8. The Receiver is authorized to take any and all actions reasonably necessary to consummate the sale of the Unit 1201 Property including but not limited to executing the receiver's deed, title affidavit, assignment of parking spaces and private garage, and closing statements reasonably required to consummate the sale of the Unit 1201 Property in accordance with the terms of the Sale Contract.
9. The Receiver is authorized to pay at closing unpaid real estate taxes, the commission due to the Seller's Broker, and the seller's fees and costs specified in the Sale Contract, including but not limited to, prorated real estate taxes, and documentary stamp tax.
10. The Receiver will separately account for the remaining net sale proceeds after closing and the payment of the amounts approved in Paragraph 9 above (the "Net Sale Proceeds"). Allocation and disbursement of the Net Sale Proceeds is subject to Court approval. The Receiver will file an appropriate pleading to address the allocation and disbursement of the Net Sale Proceeds at a later date, with notice to be provided to all lien claimants known to the Receiver who may assert a lien claim and/or object to the distribution or allocation of the Valencia Lien Claim Fund.

DONE AND ORDERED in Miami, Florida this 31st day of January, 2026.

A handwritten signature in blue ink, appearing to read 'J. Becerra', is written over a horizontal line.

JACQUELINE BECERRA
UNITED STATES DISTRICT JUDGE