

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
SOUTHERN DIVISION**

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

EMILIO FRANCISCO; PDC CAPITAL
GROUP, LLC; CAFFE PRIMO
INTERNATIONAL, INC.; SAL SENIOR
LIVING, LP; SAL CARMICHAEL, LP; SAL
CITRUS HEIGHTS, LP; SAL KERN
CANYON, LP; SAL PHOENIX, LP; SAL
WESTGATE, LP; SUMMERPLACE AT
SARASOTA, LP; SUMMERPLACE AT
CLEARWATER, LP; SUMMERPLACE AT
CORRELL PALMS, LP; TRC TUCSON, LP;
CLEAR CURRENTS WEST, LP; CAFFE
PRIMO MANAGEMENT, LP; CAFFE
PRIMO MANAGEMENT 102, LP; CAFFE
PRIMO MANAGEMENT 103, LP; CAFFE
PRIMO MANAGEMENT 104, LP; CAFFE
PRIMO MANAGEMENT 105, LP; CAFFE
PRIMO MANAGEMENT 106, LP; CAFFE
PRIMO MANAGEMENT 107, LP; and
CAFFE PRIMO MANAGEMENT 108, LP,

Defendants.

Case No. 8:16-cv-02257-CJC-DFM

**ORDER RE: AMENDED
STIPULATION
CONDITIONALLY GRANTING:
(1) RECEIVER AUTHORITY TO
ABANDON KISSIMMEE
PROPERTY; AND (2) LENDER
RELIEF FROM LITIGATION
STAY TO PURSUE
FORECLOSURE**

Ctrm: 9B, 9th Floor
Judge: Hon. Cormac J. Carney

STIPULATION

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

The following Stipulation granting conditional relief from litigation stay to 101 Park Place, LLP ("Lender") to pursue a foreclosure sale and/or other remedies to gain possession of the below described Kissimmee Florida property (the "Stipulation") is made by and between (1) Thomas A. Seaman (the "Receiver"), the Court-appointed receiver for PDC Capital Group, LLC, and their subsidiaries and affiliates¹ (collectively, "Receivership Entities"); (2) Plaintiff Securities and Exchange Commission ("SEC"); and (4) Lender (collectively, with the Receiver, the SEC, and Lender, the "Parties"), by and through their respective counsel of record, in accordance with the following:

A. On January 5, 2017, this Court entered the Temporary Restraining Order and Orders (1) Freezing Assets; (2) Prohibiting Destruction of Documents; (3) Appointing a Temporary Receiver, and (4) to Show Cause Regarding Issuance of a Preliminary Injunction and Appointment of a Permanent Receiver ("TRO")

¹ As used herein, "Receivership Entities" refers to the following specifically named entities: PDC Capital Group, LLC; Caffe Primo International, Inc.; SAL Assisted Living, LP; SAL Carmichael, LP; SAL Citrus Heights, LP; SAL Kern Canyon, LP; SAL Phoenix, LP; SAL Westgate, LP; Summerplace at Sarasota, LP; Summerplace at Clearwater, LP; Summerplace at Correll Palms, LP; TRC Tucson, LP; Clear Currents West, LP; Caffe Primo Management, LP; Caffe Primo Management 102, LP through Caffe Primo Management 108, LP (collectively, "**Named Entities**"); and their subsidiaries and affiliates Summerplace Management, LLC; PDC Partners Management, Inc.; FDC Partners Management, Inc.; KPF Capital, LLC; FDC Capital Partners, LLC; MSL US Fund I, LLC; MPoint Land & Development, Inc.; Woodcrest Construction Management, Inc.; Professional Loading Service, LLLP; WDC Capital Group, LLC; WDC Capital Partners, LLC; KPF Investment Management, Inc.; Meridian Summerplace at Snug Harbor, LLC; Meridian Summerplace at Snug Harbor, LP; Summerplace at Correll Palms, LLC; Summerplace at Correll Palms, LP; Summerplace at Winter Haven, LLC; Summerplace at Winter Haven, LP; Summerplace at Sun City, LLC; Summerplace at Sun City, LP; Meridian at Sun City, LLC; Summerplace at Orlando-Summerfield, LLC; Summerplace at Orlando-Summerfield, LP; Summerplace at Kissimmee, LLC; Summerplace at Kissimmee, LP; Summerplace at Merced, LLC; Summerplace at Merced, LP; SAL-PDC, LLC; SLALMC, LLC ("**SLALMC**"); SAL Lincoln Village, IL; Lincoln Village IL, LLC; Lincoln Village IL, LP; Lincoln Village SNF, LLC; Lincoln Village SNF, LP; FCM Development Group, LLC; ADC Capital Group, LLC; NCDC Capital Partners, LLC; Summerplace at Bonney Lake MC, LLC; Summerplace at Bonney Lake MC, LP; Summerplace Management, LLC; Summerplace Development, LLC; Defiance Charters, LLC; and Red Sunshine Holdings, Ltd. (collectively, "**Affiliated Entities**").

1 (Dkt. No. 17), and on January 23, 2017, this Court entered its Preliminary Injunction
2 Against All Defendants ("Preliminary Injunction") (Dkt. No. 36).

3 B. The Preliminary Injunction appointed the Receiver as permanent
4 receiver for the Receivership Entities and imposed a preliminary injunction and
5 litigation stay, which stay precludes all persons and entities from pursuing claims
6 against Receivership Entities and commencing, prosecuting, continuing or enforcing
7 any suit or proceeding against any of the Receivership Entities (the "Litigation
8 Stay"), without permission from this Court; and

9 C. On or about January 22, 2016, a Receivership Entity, Meridian at
10 Kissimmee LLC, fka Summerplace at Kissimmee, LLC, ("Borrower") borrowed the
11 sum of \$375,000 (the "Loan") from Lender pursuant to that Promissory Note
12 ("Note") dated January 22, 2016. The Note was secured by a mortgage (the
13 "Mortgage") recorded in the official records of Osceola County, Florida
14 encumbering the real property and improvements known as 210 Park Place
15 Boulevard, Kissimmee, Florida (the "Property.")

16 D. Lender asserts that the Loan is in default. In March 2017, Lender
17 commenced an action (the "Lender Action") to foreclose on the Property pursuant to
18 the terms of the Mortgage. The Receiver asserts that the Lender Action is void and
19 was filed in violation of the Litigation Stay and the Preliminary Injunction.

20 E. . The Receiver has listed the Property for sale but as of this time has
21 not located a buyer for the Property.

22 F. Lender has requested that the Receiver [and the SEC], stipulate that
23 Lender may have relief from the Litigation Stay in order to pursue the Lender
24 Action and/or to pursue other remedies to regain possession of the Kissimmee
25 Property upon certain conditions.

26 G. After meeting and conferring, the Parties have agreed that, upon the
27 satisfaction of certain conditions and approval of the Court, the Receiver will be
28 deemed to have abandoned the Property and Lender shall be granted relief from the

1 Litigation Stay to pursue a foreclosure sale under its Mortgage as to the Kissimmee
2 Property.

3 **STIPULATION AND AGREEMENT**

4 Accordingly, and in consideration of the foregoing facts, the Parties hereby
5 STIPULATE and AGREE as follows:

- 6 1. The Receiver shall have 6 (six) months from entry of an order
7 approving this Stipulation to enter into a Purchase and Sale Agreement
8 to sell the Property ("PSA") for a sales price sufficient to pay the then
9 current debt owed by Borrower to Lender, which PSA shall have a
10 closing date of no later than 120 days following execution of the PSA.
- 11 2. In the event that the Receiver fails to timely enter into a PSA as
12 described in Paragraph 1 above, the Receiver and the SEC will be
13 deemed to have abandoned the Property and the Litigation Stay shall be
14 deemed lifted as to Lender to allow Lender to conclude a foreclosure
15 sale on the Property without further order of the Court.
- 16 3. All other provisions of this Court's prior orders shall remain in full
17 force and effect. This Court shall retain jurisdiction for the purpose of
18 implementing and carrying out the terms of this Stipulation and to
19 entertain any suitable application or motion for additional relief within
20 the jurisdiction of this Court.

21 \\\
22 \\\
23 \\\
24 \\\
25 \\\
26 \\\
27 \\\
28 \\\

1 **SO STIPULATED.**

2
3 Dated: April 9, 2018

ALLEN MATKINS LECK GAMBLE
MALLORY & NATSIS LLP
DAVID R. ZARO
EDWARD G. FATES
PETER A. GRIFFIN

4
5
6 By: /s/ David R. Zaro
7 DAVID R. ZARO
8 Attorneys for Receiver
THOMAS A. SEAMAN

9 Dated: April 9, 2018

U.S. SECURITIES AND EXCHANGE
COMMISSION

10
11 By: /s/ John B. Bulgozdy
12 JOHN B. BULGOZDY
13 Attorneys for Plaintiff
SECURITIES AND EXCHANGE
COMMISSION

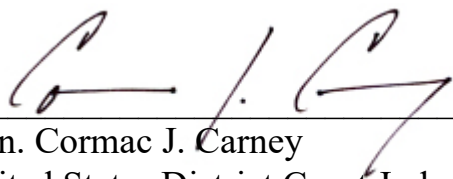
14 Dated: April 9, 2018

101 PARK PLACE, LLP

15
16 By: /s/ Steve Ruta
17 STEVE RUTA
18 Attorneys for
101 PARK PLACE, LLP

19 **IT IS SO ORDERED.**

20
21 Dated: April 10, 2018

22 
23 Hon. Cormac J. Carney
24 United States District Court Judge
25
26
27
28