

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
CASE NO. 20-CV-81205-RAR**

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

COMPLETE BUSINESS SOLUTIONS
GROUP, INC. d/b/a PAR FUNDING, et al.,

Defendants.

**RECEIVER’S MOTION TO MODIFY THE ORDER
AUTHORIZING RECEIVER’S SALE OF REAL PROPERTY
LOCATED AT 4633 WALNUT STREET, PHILADELPHIA, PA 19139**

Ryan K. Stumphauzer, Esq., Court-Appointed Receiver (“Receiver”) of the Receivership Entities, by and through his undersigned counsel, files this Motion to Modify the Order Authorizing Receiver’s Sale of Real Property Located at 4633 Walnut Street, Philadelphia, PA 19139 (the “Walnut Street Property”). In support thereof, the Receiver states:

1. On August 23, 2023, the Court entered an Order Authorizing Receiver’s Sale of Real Property Located at 4633 Walnut Street, Philadelphia, PA 19139 [ECF 1673] (“Order”)
2. Since entry of the Order, the Receiver has worked diligently to complete the sale of the Walnut Street Property.
3. The buyer of the Walnut Street Property recently requested to amend the Purchase and Sale Agreement for the sale of the Walnut Street Property (the “Contract”) to facilitate a like-kind exchange under Section 1031 of the Internal Revenue Code.
4. Buyer did not previously notify the Receiver of the desire to conduct a like-kind exchange for the purchase of the Walnut Street Property.

5. The Buyer requested to amend the Contract to enable them to assign it to a “Qualified Intermediary” as part of the like-kind exchange transaction. The Qualified Intermediary is integral to Buyer’s like-kind exchange proposal.

6. The Order allows the Receiver to sell the Walnut Street property to the “Buyer or Buyer’s designee” [ECF 1673,§ C]. It also permits the Receiver to “execute all document necessary to consummate or otherwise effectuate the sale of the Property to Buyer or Buyer’s designee” [ECF 1673,§ H]. The Order, however, prohibits the Receiver from executing any amendment which would change a material term of the Contract such as the “parties to the Contract.” [ECF 1673,§ G].

7. While the Buyer remains obligated under the Contract, the Qualified Intermediary’s involvement may be construed as modifying the parties to the Contract.

8. Out of an abundance of caution, the Receiver seeks to amend the previous Order to approve the Change in Terms Addendum to Agreement of Sale (the “Amendment”). A redacted copy of the Amendment is attached hereto as **Exhibit 1**.

9. All other terms of the Contract—including the purchase price and that title to the Property will ultimately vest with previously identified Buyer—remain unchanged. The Amendment allows the Qualified Intermediary to act on Buyer’s behalf to execute the exchange pursuant Internal Revenue Code Section 1031 of the Internal Revenue Code.

10. A Proposed Order authorizing and approving the Amendment to the sale of the Walnut Street Property is attached as **Exhibit 2**.

WHEREFORE, the Receiver respectfully requests that the Court enter the Proposed Order, approving the Amendment to the Contract to sell the Walnut Street Property.

Local Rule 7.1 Certification

Pursuant to Local Rule 7.1, the undersigned counsel for the Receiver certifies that he has conferred with counsel for the United States Securities and Exchange Commission (“SEC”), regarding the relief requested in this motion. Counsel for the SEC has confirmed that the SEC does not oppose the relief requested herein.

Dated: September 15, 2023

Respectfully Submitted,

**STUMPHAUZER KOLAYA
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Co-Counsel for Receiver

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on September 15, 2013, I electronically filed the foregoing document with the clerk of the Court using CM/ECF. I also certify that the foregoing document is being served this day on counsel of record via transmission of Notices of Electronic Filing generated by CM/ECF.

/s/ Timothy A. Kolaya
TIMOTHY A. KOLAYA

Exhibit 1

Redacted Change in Terms Addendum to Agreement of Sale

CHANGE IN TERMS ADDENDUM TO AGREEMENT OF SALE

This form recommended and approved for, but not restricted to use by, the members of the Pennsylvania Association of Realtors® (PAR).

CTA

1 **PROPERTY** 4633 walnut st, Philadelphia, pa 19104
2 **SELLER** Ryan Stumphauzer, Court Appointed Receiver
3 **BUYER** Redacted

4 **The following terms of the Agreement of Sale are changed as stated below:**
5 **1. REPAIRS**

6 Seller, at Seller's expense, will complete the following repairs no later than _____ days prior to Settlement Date (prior to
7 settlement, if not specified), in a workmanlike manner, with all required permits, according to the attached contractor's proposal(s),
8 if any, the terms of which, including the persons and specifications contained therein, shall become part of this Agreement:
9

10 _____
11 _____
12 _____
13 _____
14 _____
15 _____
16 _____
17 _____
18 _____
19 _____
20 _____
21 _____
22 _____
23 _____

24 **2. SELLER ASSIST**

25 Seller Assist is changed to \$ _____, or _____ % of the Purchase price, maximum, toward Buyer's costs as per-
26 mitted by the mortgage lender, if any. Seller is only obligated to pay up to the amount or percentage which is approved by mortgage
27 lender.

28 **3. PURCHASE PRICE**

29 Purchase price is changed from \$ _____ to \$ _____.

30 **4. ACCEPTANCE & SETTLEMENT**

31 (A) Written acceptance of all parties will be on or before: _____
32 (B) Settlement Date is changed from _____ to _____

33 **5. MORTGAGE TERMS**

34 (A) **Mortgage Type** is changed from _____ to _____

35 (B) **Mortgage amount**

36 1. First mortgage amount is changed from \$ _____ to \$ _____

37 2. Second mortgage amount is changed from \$ _____ to \$ _____

38 (C) **Mortgage Lender**

39 1. First mortgage lender is changed to _____

40 2. Second mortgage lender is changed to _____

41 3. Buyer will submit a completed, written mortgage application to the identified lender(s), if any, according to the terms of the
42 Mortgage Contingency paragraph of the Agreement of Sale on or before: _____

43 (D) **Loan-To-Value (LTV) ratio** (For conventional loans)

44 First mortgage LTV ratio not to exceed _____ % Second mortgage LTV ratio not to exceed _____ %

45 (E) **Date for Buyer to deliver documentation** of lender's approval of Buyer's mortgage, whether conditional or outright, is
46 changed from _____ to _____

47 Buyer Initials: [Signature]

CTA Page 1 of 2

Seller Initials: [Signature]



48 **6. TIME PERIODS**

- 49 (A) The time period in paragraph _____, line _____ of Agreement of Sale is changed to _____.
- 50 The time period in paragraph _____, line _____ of Agreement of Sale is changed to _____.
- 51 The time period in paragraph _____, line _____ of Agreement of Sale is changed to _____.
- 52 The time period in paragraph _____, line _____ of Agreement of Sale is changed to _____.
- 53 The time period in paragraph _____, line _____ of Agreement of Sale is changed to _____.
- 54 (B) The time period in paragraph _____, line _____ of the _____ Addendum is changed to _____.
- 55 The time period in paragraph _____, line _____ of the _____ Addendum is changed to _____.
- 56 The time period in paragraph _____, line _____ of the _____ Addendum is changed to _____.
- 57 The time period in paragraph _____, line _____ of the _____ Addendum is changed to _____.
- 58 The time period in paragraph _____, line _____ of the _____ Addendum is changed to _____.

59 **7. OTHER**

60 ****Assignment for Section 1031 Like-Kind Exchange:****

61 **Buyer reserves the right to assign this Purchase and Sale Agreement, in whole or in part, to [Redacted] a Qualified**

62 **Intermediary, for the purpose of facilitating a like-kind exchange under Section 1031 of the Internal Revenue Code.**

63 **Such assignment shall not relieve Buyer of its obligations and liabilities under this Purchase Agreement, and Buyer**

64 **shall remain responsible for any and all obligations herein, including the performance of the assigned obligations by**

65 **[Redacted] Seller agrees to reasonably cooperate with Buyer and [Redacted] in executing any documents or**

66 **agreements that are acceptable to Seller and which are necessary to effectuate such assignment and the like-kind**

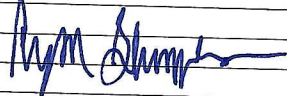
67 **Continued... See Addendum Other Terms and Conditions 1**

68 All other terms and conditions of the Agreement, including all other time periods, remain unchanged and in full force and effect.

69 BUYER [Redacted] _____ DATE 9/8/2023

70 BUYER [Redacted] _____ DATE _____

71 BUYER _____ DATE _____

72 SELLER  _____ DATE 9/10/23

73 SELLER Ryan Stumphauzer, Court Appointed Receiver _____ DATE _____

74 SELLER _____ DATE _____

ADDENDUM

PROPERTY: **4633 walnut st, Philadelphia, pa 19104**

1) Other Terms and Conditions

exchange. Buyer acknowledges and agrees that notwithstanding the foregoing, title to Property will vest in Redacted

(This section contains multiple horizontal lines for handwritten notes or signatures, which are currently blank.)

Date: 9/8/2023

Redacted
at _____ e

Date: _____

at _____ e

Date: 9/10/23

(Handwritten signature)
at _____ e

Date: _____

at _____ e

Addendum

Exhibit 2

Proposed Order

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

CASE NO. 20-CV-81205-RAR

SECURITIES AND EXCHANGE
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COMPLETE BUSINESS SOLUTIONS
GROUP, INC. d/b/a PAR FUNDING, et al.,

Defendants.

**[PROPOSED] ORDER MODIFYING THE ORDER AUTHORIZING
RECEIVER'S SALE OF REAL PROPERTY LOCATED AT
4633 WALNUT STREET, PHILADELPHIA, PA 19139**

THIS CAUSE comes before the Court upon the Receiver's Motion to Modify the Order Authorizing Receiver's Sale of Real Property Located at 4633 Walnut Street, Philadelphia, PA 19139 [ECF No. ____] (the "Motion"), filed on September 15, 2023. The Court has reviewed the Motion and the record in this matter and is otherwise fully advised.

In the Motion, the Court-Appointed Receiver, Ryan K. Stumphauzer ("Receiver") asks the Court to modify the Order Authorizing Receiver's Sale of Real Property Located at 4633 Walnut Street, Philadelphia, PA 19139 [ECF No. 1673] to approve and authorize a Change in Terms Addendum to Agreement of Sale ("Amendment") for the property located at 4633 Walnut Street. The Amendment permits the Buyer to assign certain rights under the Purchase and Sale Agreement for the sale of the Walnut Street Property (the "Contract") to a Qualified Intermediary. The assignment to the Qualified Intermediary is necessary to facilitate Buyer's proposed like-kind exchange under Section 1031 of the Internal Revenue Code.

The Receiver has made a sufficient and proper showing in support of the relief requested in the Motion. Accordingly, for the reasons stated in the Motion, it is hereby

ORDERED AND ADJUDGED that the Motion is **GRANTED** as set forth herein.

The Order Authorizing Receiver's Sale of Real Property Located at 4633 Walnut Street, Philadelphia, PA 19139 [ECF No. 1673] is hereby modified to authorize and approve the Change in Terms Addendum to Agreement of Sale for the property located at 4633 Walnut Street. All other terms of the Order Authorizing Receiver's Sale of Real Property Located at 4633 Walnut Street, Philadelphia, PA 19139 [ECF No. 1673] remain unchanged.

DONE AND ORDERED in Miami, Florida, this ____ day of _____, 2023.

RODOLFO A. RUIZ II
UNITED STATES DISTRICT JUDGE

Copies to: Counsel of record