

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
TAMPA DIVISION

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

CASE NO. 8:20-cv-00394-MSS-SPF

v.

KINETIC INVESTMENT GROUP,
LLC *et al.*,

Defendants,

_____ /

DEFENDANT’S RESPONSE TO THE RECEIVER’S MOTION FOR EXPEDITED APPROVAL OF AMENDED CONTRACT PRICE FOR PRIVATE SALE OF VILLA GABRIELA PROPERTY

Defendant MICHAEL SCOTT WILLIAMS (“**Defendant**”) submits this response to the Receiver’s *Motion for Expedited Approval of Amended Contract Price for Private Sale of Villa Gabrielle Property* [D.E. 298] (“**Motion**”) and states as follows:

1. Defendant objects to the Receiver’s Motion for all the reasons previously set forth in *Defendant’s Response to the Receiver’s Motion for Approval to Sell Defendant’s Condos* [D.E. 277] and in *Defendant’s Sur-Reply* [D.E. 285], both of which Defendant adopts and incorporates herein. See FED. R. CIV. P. 10(c).

2. Defendant further objects to the Receiver’s implicit request to be allowed to not hold the purchaser (“**Purchaser**”) of the Villa Gabriela Properties (“**Condos**”) to the original deal it struck with the Receiver to purchase the Condos for \$2,100,000 and instead accept a substantially lesser offer — by \$410,000 — from the *same* purchaser to purchase the Condos for \$1,690,000 million.

3. In support of its objection, Defendant notes the Receiver has expressly stated that he disagrees with the Purchaser’s “legal and equitable position to unilaterally terminate” the original sale contract (“**Contract**”). *See* Motion at ¶ 21.¹

4. Further, while Receiver states the cost and risk of holding the Purchaser to the terms of Contract weigh against making any effort to try to enforce the Contract, Receiver has not presented any documents, testimony, or other evidence to support his implied “conclusion” that it will cost anywhere near \$410,000 to enforce the terms of the Contract or to pursue a basic breach of contract claim against the Purchaser.

5. Even if it might somehow cost \$400,000 to enforce the Contract (which is hard to imagine), that would still be a better result than to accept

¹ Among other things, the Receiver asserts the Contract nowhere states that time is of the essence nor does it contain an express or implied “opt out” clause due to time delays or market shifts. *See* Motion at ¶ 21.

Purchaser's "new" offer — which is \$410,000 less than his original offer (and \$10,000 *worse* than spending \$400,000 to enforce the Contract).

WHEREFORE, Defendant respectfully requests that the Court deny the Receiver's Motion. In the event the Court is inclined to grant the Receiver's Motion and authorize the sale of Condos for a substantially reduced price, Defendant respectfully requests the Court direct the Receiver to hold the proceeds from the sale in trust until the Court determines Defendant's right to the funds and orders disbursement.

Respectfully Submitted,

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on November 14, 2022, the foregoing document was filed with the Clerk of the Court using the CM/ECF system and served on all counsel of record.

By: /s/ Jon A. Jacobson