

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA

CASE NO. 17-60907-CIV-MORENO

FEDERAL TRADE COMMISSION, *et al.*,

Plaintiffs,

v.

JEREMY LEE MARCUS, *et al.*,

Defendants.

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**RECEIVER’S UNOPPOSED MOTION FOR AUTHORITY  
TO SELL CERTAIN REAL PROPERTY AND RETAIN REAL ESTATE BROKER**

Jonathan E. Perlman, “Permanent Receiver” over the Receivership Defendants<sup>1</sup> (the “Receiver”), files this Motion for Authority to Sell Certain Real Property and Retain Real Estate Broker (the “Motion”), and states:

1. On May 8, 2017, the Federal Trade Commission (“FTC”) and the Office of the Attorney General, State of Florida, Department of Legal Affairs (“State of Florida”) (collectively, “Plaintiffs”), commenced this action by filing a complaint for permanent injunction

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<sup>1</sup> The “Receivership Defendants” means Financial Freedom National, Inc. f/k/a Institute for Financial Freedom, Inc. and Marine Career Institute Sea Frontiers, Inc. also d/b/a 321 Loans, Instahelp America, Inc., Helping America Group, United Financial Support, Breeze Financial Solutions 321Financial Education, Credit Health Plan, Credit Specialists of America, American Advocacy Alliance, and Associated Administrative Services; 321Loans, Inc., f/k/a 321 Loans, Inc. also d/b/a 321Financial, Inc.; Instahelp America, Inc. f/k/a Helping America Team, Inc. also d/b/a Helping America Group; Breeze Financial Solutions, Inc. also d/b/a Credit Health Plan and Credit Maximizing Program; US Legal Club, LLC; Active Debt Solutions, LLC f/k/a Active Debt Solutions, Inc. also d/b/a Guardian Legal Center; Guardian LG, LLC also d/b/a Guardian Legal Group; American Credit Security, LLC f/k/a America Credit Shield, LLC; Paralegal Support Group LLC f/k/a Paralegal Support LLC; and Associated Administrative Services, LLC also d/b/a Jobfax, and their divisions, subsidiaries, affiliates, predecessors, successors, assigns, and any fictitious business entities or business names created or used by these entities, or any of them. The Receivership Defendants were expanded to include Viking Management Services, LLC, Cockburn & Associate LLC, Omni Management Partners LLC, Discount Marketing USA, S.A., JLMJP Pompano, LLC, Nantucket Cove of Illinois, LLC, Halfpay International, LLC, Halfpay NV, LLC, HP Properties Group, Inc., HP Media, Inc., White Light Media LLC, Blue42, LLC as Additional Receivership Entities. (“Expansion Order”) [ECF No. 102].

and other relief (the “Complaint”) and a motion for a temporary restraining order and other equitable relief alleging that Jeremy Lee Marcus, Craig Davis Smith, Yisbet Segrea (collectively, the “Individual Defendants”), the Receivership Defendants violated Sections 5(a), of the FTC Act, 15 U.S.C. § 45(a), the FTC’s Telemarketing Sales Rule (“TSR”), 16 C.F.R. Part 310 and the Florida Deceptive and Unfair Trade Practices Act (“FDUTPA”), Chapter 501, Part II, Florida Statutes (2016), Fla. Stat. § 501.201 *et seq.* and the Telemarketing Act, 15 U.S.C. §§ 6101-6108 and the Relief Defendants were joined as recipients of monies or property from these violations.<sup>2</sup> (the Individual Defendants, Receivership Defendants and Relief Defendants may be referred to herein collectively as the “Defendants”) [ECF No. 1, “Compl.”].

2. On May 17, 2017, the Court entered a Preliminary Injunction directing and authorizing the Receiver to, among other things, “[a]ssume full control of the Receivership Defendants,” and “[t]ake exclusive custody, control, and possession of all assets and documents of, or in the possession, custody, or under the control of, the Receivership Defendants, wherever situated.” [ECF No. 21 at p. 17]. The PI appointing the Receiver initially defined the Receivership as including eleven named “Receivership Defendants,” “and any of their affiliates, subsidiaries, divisions, or sales or customer service operations, wherever located...” [ECF No. 21 at p.17]. The Court subsequently expanded over 12 additional entities [ECF No. 102]. On July 31, 2017 the Court granted the Receiver’s Motion to Turn Over and Transfer Title to

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<sup>2</sup> Following the Expansion Order, the “Relief Defendants” are 1609 Belmont Place LLC; 16 S H Street Lake Worth, LLC; 17866 Lake Azure Way Boca, LLC; 114 Southwest 2<sup>nd</sup> Street DBF, LLC; 110 Gloucester St., LLC; 72 SE 6<sup>th</sup> Ave., LLC; Fast Pace 69 LLC; Strategic Acquisitions Two, LLC; Halfpay International d/b/a 16 H.S. Street 12Plex LLC, 311 SE 3<sup>rd</sup> St., LLC, 412 Bayfront Drive, LLC, 110 Gloucester St., LLC, 72 SE 6<sup>th</sup> Ave., LLC, 114 SW 2<sup>nd</sup> Street JM, LLC, 8209 Desmond Drive, LLC, HLFP, LLC, Halfpay NV d/b/a Halfpay International, and Nantucket of Illinois, LLC. as well as any successors, assigns, subsidiaries, fictitious business entities, or business names created or used by these entities, or any of them. Plaintiffs’ amended complaint specifically names the Defendants as Receivership Defendants or Relief Defendants as determined by the Expansion Order. [ECF No. at ¶¶ 28-38]. The amended complaint also adds Teresa Duda, Jack Marcus and James Marcus as additional Relief Defendants. *Id.* at ¶¶ 39-41.

Certain Real Property and Sale Proceeds, [ECF No.100], and the Receiver took possession and title to the following real estate: 1410 SW 3rd St. Pompano Beach, FL 33069; 1609 Belmont Place Boynton Beach, FL 33436; 630 SE 25th Ave. Fort Lauderdale, FL 33301; 114 SW 2nd St. Delray Beach, FL 33444; 603 Renaissance Lane Delray Beach, FL 33483; 16 S H Street 1 Lake Worth, FL 33460; 422 Bayfront Drive Boynton Beach, FL 33435; 111 SW 2nd St. Delray Beach, FL 33444; 116 SW 2nd St. Delray Beach, FL 33444; 80 Nottingham Place Boynton Beach, FL 33426; 211 SE 4th Ave. Delray Beach, FL 33483; 311 SE 3rd St. Delray Beach, FL 33483; 7190 Brickyard Cir., Lake Worth, FL 33467; 225 N H Street 1 Lake Worth, FL 33460; 221 N H Street 1 Lake Worth, FL 33460; and 219 N H Street 1 Lake Worth, FL 33460.

3. The PI provides that the Receiver shall conserve, hold and manage all receivership assets, and perform all acts necessary or advisable to preserve the value of those assets, in order to prevent irreparable loss, damage or injury to consumers or creditors of the Receivership Defendants. [ECF No. 21 at p. 18].

4. The Receiver, by this Motion, seeks the Court's authority to market and sell twelve real properties listed above. The following is a description of the Properties that the Receiver seeks to market and sell.

5. **1609 Belmont Place, Boynton Beach, FL 33436**

This property is a vacant townhouse formerly owned by 1609 Belmont Place Business Trust ("Belmont Property").

6. **114 SW 2nd St., Delray Beach, FL 33444**

This property is a triplex formerly owned by the 114 SW 2<sup>nd</sup> Street Business Trust ("Triplex Property"). Currently, three tenants occupy the Triplex Property and pay a monthly combined rent of \$2,265.00. The Receivership currently pays common area utilities and \$150.00 per month for landscaping services.

7. **603 Renaissance Lane, Delray Beach, FL 33483**

This property is a townhouse, and the owner of record was 603 Renaissance Lane Business Trust (“Renaissance Property”). The tenant moved out in June 2017 pursuant to the lease, and the property is currently vacant. The Receiver currently pays utilities for this property.

8. **422 Bayfront Drive, Boynton Beach, FL 33435**

This property is a townhouse, and the owner of record was 412 Bayfront Drive LLC (“Bayfront Property”). This townhouse is currently vacant. The Receiver currently pays utilities and HOA fees for this property.

9. **111 SW 2nd St., Delray Beach, FL 33444**

This property is a duplex, and the owner of record was 111 SW 2nd Street Business Trust (“111 Property”). Three tenants pay monthly combined rent of \$1,800. The Receiver pays common area utilities and \$150.00 per month for landscaping services.

10. **116 SW 2nd St., Delray Beach, FL 33444**

This property is a vacant lot, and the owner of record was Relief Defendant 114 Southwest 2nd Street DBF, LLC (“116 Property”).

11. **80 Nottingham Place, Boynton Beach, FL 33426**

This property is a townhouse, and the owner of record was 80 Nottingham Place Business Trust (“Nottingham Property”). A single tenant pays \$2,100.00 per month and is current.

12. **211 SE 4th Ave., Delray Beach, FL 33483**

This property is a vacant lot, and the owner of record was 211 SE 4th Ave Business Trust (“4<sup>th</sup> Avenue Property”). The Receiver currently pays \$225.00 per month for landscaping services.

13. **311 SE 3rd St., Delray Beach, FL 33483**

This property is a vacant lot, and the owner of record was 311 SE 3rd Street Business Trust (“3<sup>rd</sup> Street Property”). The Receiver currently pays \$90.00 per month for landscaping services.

14. **225 N H Street 1, Lake Worth, FL 33460**

This property is a 4-plex, and the owner of record was Jean Pierre Trust #3 (“225 H Street Property”). This building is currently vacant and was under construction when the Receiver was appointed. The Receiver currently pays utilities for this property.

15. **221 N H Street 1, Lake Worth, FL 33460**

This property is a 10-plex, and the owner of record was Jean Pierre Trust #3 (“221 H Street Property”). This building is currently vacant and was under significant construction as of the date of the Receiver’s appointment. The Receiver currently pays utilities for this property.

16. **219 N H Street 1, Lake Worth, FL 33460**

This property is a 4-plex, and the owner of record was the Jean Pierre Trust #3 (“219 H Street Property”). This building is currently vacant and unfinished. The Receiver currently pays utilities for this property.

**Relief Requested**

17. The Receiver, by way of this Motion, seeks the Court’s authority to market and sell the Properties at the highest and best price.

18. After considering the various options available, the Receiver finds it to be in the best interests of the Receivership Estate to market the Properties at this time, and sell them at the highest and best price. Most of the Properties do not generate income. Nonetheless, the Receiver pays both to maintain, and insure, each Property. Accordingly, the Properties are cash-flow negative and are a drain on the estate’s cash reserves. Based upon the foregoing, the

Receiver, in his business judgment, believes that the Properties should be sold.

19. In addition to authority to market and sell the Properties, the Receiver by this Motion seeks authority to retain real estate brokers, including but not limited to, Moecker Realty and Jason A. Welt for the marketing and sale of the Properties. The PI authorizes the Receiver to choose, engage and employ attorneys, accountants, appraisers and any other independent contractors and technical specialists, as the Receiver deems advisable or necessary, in the performance of duties and responsibilities under the authority granted by this order. [ECF. No. 21 at p. 19.]. The Receiver thus seeks court approval of his real estate brokers in an abundance of caution.

20. Moecker Realty and Trustee Realty Inc. have extensive experience in both the commercial and residential markets in Florida and have worked with numerous fiduciaries all over the State of Florida.

21. The Receiver and members of his team have worked with Moecker Realty and Trustee Realty Inc. in the past and found the firms to provide excellent service and results. This Court has previously approved Moecker's and Trustee Realty's retention by the Receiver in this case.

22. The Receiver has conferred with counsel for the FTC and the Office of the Attorney General, State of Florida, who have no position on the relief sought. Smith and Segrea have authorized the Receiver to state that they have no objection to the relief sought herein. Counsel for Marcus did not respond to the Receiver's attempt to meet and confer on the relief sought.

**WHEREFORE**, the Receiver, Jonathan E. Perlman, Esq., respectfully requests this Court to enter an order granting the Receiver authority to market and sell Properties, to retain real

estate brokers, including the Moecker Realty Firm and Trustee Realty Inc., and for such other and further relief as is just and proper.

Respectfully submitted on March 26, 2018.

**GENOVESE JOBLOVE & BATTISTA, P.A.**

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**CERTIFICATE OF SERVICE**

I hereby certify that on March 26, 2018, 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 all counsel of record and entities identified on the attached Service List in the manner specified, either via transmission of Notices of Electronic Filing generated by CM/ECF or in some other authorized manner for those counsel or parties who are not authorized to receive electronically Notices of Electronic Filing.

/s/ Gregory M. Garno

Gregory M. Garno

**SERVICE LIST**

**Federal Trade Commission v. Jeremy Lee Marcus, et al.**  
**USDC, SD Fla., Case No. 17-cv-60907-MORENO**

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