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13
 14 **UNITED STATES DISTRICT COURT**
 15 **DISTRICT OF NEVADA**

16 SECURITIES AND EXCHANGE
 COMMISSION,
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 Plaintiff,
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 v.
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 20 PROFIT CONNECT WEALTH SERVICES,
 INC., JOY I. KOVAR, and BRENT CARSON
 KOVAR,
 21
 Defendants.

Case No. 2:21-cv-01298-JAD-BNW

**STIPULATION AND ORDER
 AUTHORIZING THE SALE OF
 PARCEL NUMBER 243-34-201-002,
 LOCATED IN SEARCHLIGHT,
 NEVADA**

ECF No. 148

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1 The following Stipulation and [Proposed] Order (the “Stipulation”) regarding the sale of
2 real property located at Parcel Number 243-34-201-002, Searchlight, Nevada and bearing the
3 legal description appended hereto as **Exhibit A** (the “Searchlight Property”), is entered into by
4 and between Geoff Winkler (the “Receiver”), the Court-appointed receiver in the above-entitled
5 action, and the plaintiff Securities and Exchange Commission (the “SEC”), by and through their
6 respective representatives, and with respect to the following facts:

7 1. The SEC initiated this action against Profit Connect, Ms. Kovar, and Mr. Kovar
8 on July 8, 2021, when it filed an ex parte complaint and motion for temporary restraining order
9 seeking, among other things, the freezing of defendants’ assets and the appointment of a receiver
10 over Profit Connect.

11 2. On July 23, 2021, the Defendants stipulated to modify the temporary restraining
12 order to appoint Geoff Winkler as the Temporary Receiver, giving him limited powers.

13 3. On August 6, 2021, following another stipulation of the parties, the Court
14 converted the temporary restraining order to a preliminary injunction and appointed the
15 Temporary Receiver as the Permanent Receiver of Profit Connect. See Receivership Order
16 (ECF No. 26) (the “Appointment Order”).

17 4. The Appointment Order specifically identified the Searchlight Property as being
18 an asset of the receivership estate and subject to an immediate asset freeze and provided the
19 Receiver full power over the Searchlight Property including but not limited to the ability to sell
20 the same. The Searchlight Property is one of several parcels of vacant land owned by Profit
21 Connect in Searchlight, Nevada (together, they are referred to as the “Searchlight Parcels”).

22 5. On March 3, 2022 an order was entered by this Court allowing the Receiver to sale
23 the Searchlight Parcels (ECF No. 81) which was amended on June 27, 2023 (ECF No. 141) to
24 allow for an expedited process for selling the Searchlight Parcels given market conditions and the
25 length of time they have been listed for sale by the Receiver (collectively the “Sale Order”).

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1 6. As is relevant here, the Searchlight Property was listed for sale by Broker in the
2 summer of 2022 and has been on the market for over twelve (12) months, during that time frame
3 the Receiver (the “Seller”) has reduced the listing price on two occasions. The total reduction was
4 \$54,000.00 or a 36% reduction of the original listing price.

5 7. The Receiver has accepted an offer to purchase the Searchlight Property for
6 \$67,650.00 pursuant to a Purchase and Sale Agreement dated June 16, 2023 and amendments
7 thereto (“PSA”). The buyer is MAJE, LLC which has tendered a deposit of \$4,500.00 into escrow
8 as required by the PSA, a copy of which is attached to this Stipulation as **Exhibit B**. This is the
9 only offer that has been received for the Searchlight Property despite the price reductions
10 referenced above. The Receiver and Broker believe the proposed purchase price reflects the state
11 of the market and is fair reasonable given the circumstances. The Buyers have completed due
12 diligence and are ready to proceed to closing. The Receiver believes that the offer represents fair
13 market value for the Searchlight Property and that is in the best interest of the Receivership Estate
14 to proceed.

15 8. After payment of closing costs and brokers’ commissions, as reflected in the RPA,
16 all sale proceeds from the sale of the Property shall be wired directly to the Receiver from the
17 Escrow, as provided above. It is estimated that the net proceeds of the sales, which will be wired
18 from the Escrow to the Receiver, will be approximately \$59,000.

19 9. It is anticipated that the sale will close within thirty (30) days of the District
20 Court’s approval of this Stipulation.

21 10. The Receiver is seeking to close the sale via this Stipulation in lieu of soliciting
22 overbids and filing a separate sale motion because of the length of time the Searchlight Property
23 has been on the market, deteriorating market prices, the rise in interest rates, the cost of publishing
24 notice of the opportunity to overbid in relation to the purchase price for the Searchlight Property,
25 the expected lack of any overbidders given the length of the marketing process and state of the
26 market, and concerns that further delay will impact the recovery of the sales proceeds for the
27 benefit of the receivership estate.

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1 11. Accordingly, in light of the unique facts and circumstances surrounding the
2 Searchlight Property as set forth herein, the undersigned parties believe this Stipulation is
3 necessary, and in the best interest of all parties and the receivership estate.

4 **IT IS SO STIPULATED.**

5 DATED this 26th day of July, 2023.
6 **GREENBERG TRAUERIG, LLP**

DATED this 26th day of July, 2023.
**SECURITIES & EXCHANGE
COMMISSION**

7
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*Attorneys for Plaintiff, SECURITIES &
EXCHANGE COMMISSION*

21 **ORDER**

22 **IT IS HEREBY ORDERED** that:

- 23 1. Seller may sell the Searchlight Property pursuant to the terms of the PSA.
24 2. Upon the Closing of the sale of the Searchlight Property pursuant to the PSA, the
25 net proceeds shall be wired directly from Escrow to the Seller.

26 **IT IS SO ORDERED.**

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UNITED STATES DISTRICT JUDGE
July 27, 2023

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