

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

Case No. 24-80980-CV-MIDDLEBROOKS

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

Filed Under Seal

WELLS REAL ESTATE INVESTMENT, LLC,
JANALIE C. JOSEPH
A/K/A JANALIE C. BINGHAM, and
JEAN JOSEPH,

Defendants,

CAMBRIDGE REAL ESTATE MANAGEMENT, LLC,
60 YACHT CLUB, LLC, 112 SOUTH OLIVE, LLC,
791 PARKSIDE HOME, LLC, 910 PARKSIDE, LLC,
930 PARKSIDE, LLC, 976 PALM BEACH SQUARE, LLC,
1070 BOCA RATON SQUARE, LLC,
2082 PARADISE PALM, LLC,
2295 CORPORATE BLVD LLC, 4050 NW, LLC,
4100 HOSPITAL OFFICE, LLC, 4800 FEDERAL, LLC,
7352 VALENCIA, LLC, 7483 VALENCIA, LLC,
BOCA DEERFIELD PROPERTIES, LLC,
DAYBREAK HOME, LLC,
GLOBE OFFICES, LLC,
GLOBE PROPERTY OFFICES, LLC,
LW SQUARE OFFICE, LLC,
MARTINIQUEÂ INVESTMENTS LLC
a/k/a MARTINIQUE'S INVESTMENTS LLC,
OAKLAND LAND PROPERTY, LLC, and
SOUTH OLIVE OFFICE, LLC,

Relief Defendants.

**SEALED ORDER GRANTING PLAINTIFF SECURITIES AND EXCHANGE
COMMISSION'S EMERGENCY EX PARTE MOTION FOR ASSET FREEZE AND
OTHER RELIEF**

THIS CAUSE came before the Court upon Plaintiff Securities and Exchange Commission's ("Commission") Emergency *Ex Parte* Motion and Memorandum of Law for Asset Freeze and Other Relief (the "Emergency Motion"), filed on August 12, 2024 (DE 6), which seeks the following:

1. an order freezing the assets of Defendants Wells Real Estate Investment, LLC ("Wells"), Janalie C. Joseph a/k/a Janalie C. Bingham ("Bingham"), Jean Joseph ("Joseph") (collectively, the "Defendants"), and the Relief Defendants;¹
2. an order requiring sworn accountings by Defendants Wells, Bingham, and Joseph; and
3. an order prohibiting the destruction of records by Defendants Wells, Bingham, and Joseph, and by the Relief Defendants.

The Commission does not style its Motion for Emergency Relief as a Motion for a Temporary Restraining Order. Instead, the Commission cites the standard for obtaining a preliminary injunction, citing *SEC v. Chappell*, 107 F.4th 114, 129-39 (3d Cir. 2024), where the appellate court held that district courts must apply the normal four-factor preliminary injunction test when considering the Commission's application for a preliminary injunction. (DE 6 at 24). However, the federal rules state that a preliminary injunction may only be issued after notice to the adverse party, and here the Commission has moved for *ex parte* relief. Fed. R. Civ. P. 65(a).

¹ The Relief Defendants are: Cambridge Real Estate Management, LLC, 60 Yacht Club, LLC, 112 South Olive, LLC, 791 Parkside Home, LLC, 910 Parkside, LLC, 930 Parkside, LLC, 976 Palm Beach Square, LLC, 1070 Boca Raton Square, LLC, 2082 Paradise Palm, LLC, 2295 Corporate Blvd LLC, 4050 NW, LLC, 4100 Hospital Office, LLC, 4800 Federal, LLC, 7352 Valencia, LLC, 7483 Valencia, LLC, Boca Deerfield Properties, LLC, Daybreak Home, LLC, Globe Offices, LLC, Globe Property Offices, LLC, LW Square Office, LLC, Martinique Investments LLC a/k/a Martinique's Investments LLC, Oakland Land Property, LLC, and South Olive Office, LLC.

Only a temporary restraining order may be issued without written or oral notice to the adverse party. Fed. R. Civ. P. 65(a)-(b). Having considered the Commission's Complaint, the Emergency Motion, and the declarations and exhibits filed in support of the Emergency motion. I find that Commission has made a sufficient and proper showing in support of the temporary restraining order granted herein by establishing: (i) that it is likely to succeed on the merits of its claims pled in the Complaint; (ii) that Wells' investors are likely to suffer irreparable harm in the absence of an order freezing assets, requiring a sworn accounting, and prohibiting the destruction of records; (iii) that the balance of the equities favor granting the foregoing relief; and (iv) that the foregoing relief is in the public interest. *See Schiavo ex rel. Schindler v. Schiavo*, 403 F.3d 1223, 1225–26 (11th Cir. 2005) (listing the four factors to be considered when determining whether to grant a temporary restraining order). Moreover, I find that the Commission has established specific facts that clearly show that immediate and irreparable injury, loss, or damage will result unless the relief requested is entered without notice to the Defendants. Fed. R. Civ. P. 65(b)(1). Accordingly, I will first construe the Commission's Motion as a Motion for a Temporary Restraining Order and then **GRANT** (DE 6) the Emergency Motion. Based upon the foregoing, the Court hereby orders the following:

I. TEMPORARY RESTRAINING ORDER

IT IS ORDERED that:

A. Defendants and Relief Defendants, their agents, servants, employees, attorneys, depositories, banks, insurance companies, and those persons in active concert or participation with any one or more of them, and each of them, who receive notice of this order by personal service, mail, facsimile transmission or otherwise, be and hereby are, restrained from, directly or indirectly, transferring, setting off, receiving, changing, selling, pledging, assigning, liquidating or otherwise

disposing of, or withdrawing any assets or property, including but not limited to cash, free credit balances, fully paid for securities, crypto assets, and/or property pledged or hypothecated as collateral for loans, or charging upon or drawing from any lines of credit, owned by, controlled by, or in the possession of Defendants and Relief Defendants.

B. Any financial or brokerage institution, or other person or entity holding any such funds or other assets, in the name, for the benefit or under the control of Defendants and Relief Defendants, directly or indirectly, held jointly or singly, and wherever located, and which receives actual notice of this order by personal service, facsimile, or otherwise, shall hold and retain within its control and prohibit the withdrawal, removal, transfer, disposition, pledge, encumbrance, assignment, set off, sale, liquidation, dissipation, concealment, or other disposal of any such funds or other assets, including, but not limited to, the following accounts:

Institution	Account Number	Account Holder Name
Bank of America, N.A. ("Bank of America")	XXXXXX6730	1070 Boca Raton Square LLC
Bank of America	XXXXXX0231	2082 Paradise Palm LLC
Bank of America	XXXXXX3391	2295 Corporate Blvd LLC
Bank of America	XXXXXX3740	4100 Hospital Office LLC
Bank of America	XXXXXX6660	4100 Hospital Office LLC
Bank of America	XXXXXX6725	4100 Hospital Office LLC
Bank of America	XXXXXX3128	4800 Federal, LLC
Bank of America	XXXXXX2983	60 Yacht Club LLC
Bank of America	XXXXXX5840	60 Yacht Club LLC
Bank of America	XXXXXX0082	7352 Valencia LLC
Bank of America	XXXXXX3115	791 Parkside Home LLC
Bank of America	XXXXXX7879	910 Parkside, LLC
Bank of America	XXXXXX8791	930 Parkside, LLC
Bank of America	XXXXXX2745	976 Palm Beach Square LLC
Bank of America	XXXXXX0387	Boca Square One, LLC
Bank of America	XXXXXX1982	Cambridge Real Estate Management LLC
Bank of America	XXXXXX2004	Cambridge Real Estate Management LLC
Bank of America	XXXXXX6108	Daybreak Home LLC
Bank of America	XXXXXX6159	Globe Offices, LLC
Bank of America	XXXXXX9970	Globe Offices, LLC

Bank of America	XXXXXX7318	Globe Property Offices, LLC
Bank of America	XXXXXX7321	Globe Property Offices, LLC
Bank of America	XXXXXX9640	Globe Property Offices, LLC
Bank of America	XXXXXX0449	LW Square Office, LLC
Bank of America	XXXXXX0481	LW Square Office, LLC
Bank of America	XXXXXX8169	LW Square Office, LLC
Bank of America	XXXXXX2899	Martiniquea Investments LLC
Bank of America	XXXXXX7932	Oakland Land Property LLC
Bank of America	XXXXXX3018	South Olive Office LLC
Bank of America	XXXXXX6386	South Olive Office LLC
Bank of America	XXXXXX0021	Wells Real Estate Investment LLC
Bank of America	XXXXXX1600	Wells Real Estate Investment LLC
Bank of America	XXXXXX3550	Wells Real Estate Investment LLC
Bank of America	XXXXXX4188	Wells Real Estate Investment LLC
Bank of America	XXXXXX5029	Wells Real Estate Investment LLC

II. SHOW CAUSE HEARING

IT IS FURTHER ORDERED that:

(1) Defendants and Relief Defendants show cause, if any, before the Honorable Donald M. Middlebrooks, at **10:00 a.m., on Tuesday, August 27, 2024, by video conference**, why a Preliminary Injunction pursuant to Rule 65 of the Federal Rules of Civil Procedure should not be granted against them, as requested by the Commission. My courtroom deputy will send the video conference information by e-mail to the Parties regarding attending the hearing. *The Parties will be responsible for forwarding the Zoom information to any non-parties who will be attending the hearing.*

A. The Commission is **DIRECTED** to serve Defendants with a copy of the Complaint, the Motion for Asset Freeze and all of its attachments, and this Order, on or by **August 19, 2024**. The Commission is further **DIRECTED** to file proof of service of these documents on Defendants on or by August 20, 2024.

B. Any response or opposition to the Commissions Motion for Asset Freeze must be filed and served the Commission's counsel by forty-eight hours prior to the hearing and filed with the Court, along with proof of service. Defendants are hereby notified that failure to appear at the hearing may result in the imposition of a preliminary injunction against them under the federal securities, laws, Fed. R. Civ. P. 65, and this Court's inherent authority.

III. SWORN ACCOUNTING

IT IS FURTHER ORDERED that within fifteen (15) days of the issuance of this Order, Defendants shall:

A. Make sworn accountings to this Court and the Commission of all assets, funds, or other properties held by Wells, Bingham, and Joseph, jointly or individually, or for their or its direct or indirect beneficial interest, or over which he, she, or it maintain control, wherever situated, stating the location, value, and disposition of each such asset, fund, and other property; and

B. Provide to the Court and the Commission a sworn identification of all accounts (including, but not limited to, bank accounts, savings accounts, securities accounts and deposits of any kind) in which Wells, Bingham, or Joseph (whether solely or jointly), directly or indirectly (including through a corporation, partnership, relative, friend or nominee), either has an interest or over which it has the power or right to exercise control.

IV. RECORDS PRESERVATION

IT IS FURTHER ORDERED that Defendants and Relief Defendants, including any of their directors, officers, agents, servants, employees, attorneys, depositories, banks, and those persons in active concert or participation with any one or more of them, and each of them, be and they hereby are restrained and enjoined from, directly or indirectly, destroying, mutilating,

concealing, altering, disposing of, or otherwise rendering illegible in any manner, any of the books, records, documents, correspondence, brochures, manuals, papers, ledgers, accounts, statements, obligations, files and other property of or pertaining to any of the Defendants and Relief Defendants, wherever located and in whatever form, electronic or otherwise, until further order of this Court.

V. APPLICATION OF THIS ORDER TO RECEIVER AND NON-PARTY BANKRUPTCIES

This Order Freezing Assets shall not apply to a receiver appointed by this Court over Wells and the Relief Defendants for the purposes of marshaling and preserving any and all assets of Wells and Relief Defendants and those assets of Wells and Relief Defendants that: (a) are attributable to funds derived from investors or clients of Wells and Relief Defendants; (b) are held in constructive trust for Wells and Relief Defendants; (c) were fraudulently transferred by Wells or Relief Defendants; and/or (d) may otherwise be includable under such receivership as assets of Wells and Relief Defendants. In addition, this Order Freezing Assets does not apply to property of an entity that has filed for bankruptcy and is not a Defendant or Relief Defendant.

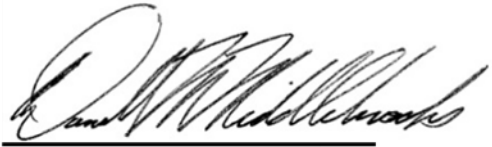
VI. RETENTION OF JURISDICTION

IT IS FURTHER ORDERED that:

- A. This Court shall retain jurisdiction over this matter, including Defendants Wells, Bingham, Joseph, and Relief Defendants, in order to implement and carry out the terms of all orders and decrees that may be entered and/or to entertain any suitable application or motion for additional relief within the jurisdiction of this Court, and will order other relief that this Court deems appropriate under the circumstances.

B. Pursuant to Fed R. Civ P. 65(b)(2), this Order shall **EXPIRE** within **FOURTEEN (14) DAYS** from the issuance, unless extended for a like term for good cause shown upon motion duly filed or served on all Parties.

SIGNED in chambers at West Palm Beach, Florida on this 14th day of August, 2024.

A handwritten signature in black ink, appearing to read "Donald M. Middlebrooks", written over a horizontal line.

Donald M. Middlebrooks
United States District Judge