



**Attachment to Notice of Sale of Estate Property**

This sale shall consist of substantially all of the assets of the Debtor (the “Assets”), shall be sold as a going concern, free and clear of liens and interests, except as specified hereinafter. Assets which shall not be included in the sale shall consist of cash, bank accounts, deposit and other cash assets, the Debtor’s partnership interest in Wheelchair Professionals, and those contracts and leases, if any, that the Buyer elects not to assume pursuant to the terms and conditions of the Purchase and Sale Agreement.

The assets will be sold in four separate units as follows:

Unit One consists of all or substantially all of the assets associated with the following the Glendale/Bakersfield/Redlands and San Diego locations as well as the patients associated the Loma Linda location. A true and correct copy of the Purchase and Sale Agreement associated with those locations is attached as Exhibit “A”, to the Motion. **The amount offered for Unit One is \$777,440.00, subject to overbid, (see below.)**

Unit Two consists of all or substantially all of the assets associated with the Las Vegas location and the “Mesa Medical” trade name. A true and correct copy of the Purchase and Sale Agreement associated with this location is attached as Exhibit “B” to the Motion. **The amount offered for Unit Two is \$75,000.00, subject to overbid. (See below)**

Unit Three consists of all or substantially all of the assets associated with the Indian Wells location and the “Hopson’s” trade name. Exhibit “C” attached to the Motion, contains the schedules of assets to be purchased and the executory associated with that location. There is, as yet, no bid for these assets. Debtor will offer them for sale at the hearing on this motion to the highest and best bidder on terms substantially the same as the terms for the sale of the Las Vegas assets. **The minimum bid for Unit Three shall be \$50,000.00.**

Unit Four consists of all or substantially all of the assets associated with the Fresno location. Exhibit “C” attached to the Motion, contains the schedules of assets to be purchased and the executory associated with that location. There is, as yet, no bid for these assets. Debtor will offer them for sale at the hearing on this motion to the highest and best

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bidder on terms substantially the same as the terms for the sale of the Las Vegas assets. **The minimum bid for Unit Four shall be \$50,000.00.**

*For information concerning the Property potential Overbidders may contact Jay Stacy at Americon DME (866) 416-9595; Mobile Number: (817) 713-9596.*

The sale shall be conducted in court and subject to appropriate overbid procedures as established by the Court.

*Any representation regarding the assets are made without the personal knowledge of Robert Thornton since October 18, 2006.*

**PROPOSED OVERBID PROCEDURES:**

In order to obtain the highest and best offer for the benefit of the creditors of this Estate, the Debtor also seeks Court approval of the following bidding procedures ("Bidding Procedures") (the Notice of this Sale Motion will include notice of the following Bidding Procedures):

Potential over bidders on Unit One must bid an initial amount of at least \$50,000 over the initial bid of \$777,440. Minimum bid increments thereafter shall be \$10,000. In the case of Unit Two, the Minimum bid shall be \$10,000 in excess of the initial bid of \$75,000.00. In the case of Units Three and Four the minimum bid shall be the amount listed above as the minimum opening bid. Minimum incremental bids in the case of Units Two, Three and Four shall be \$5,000.00 thereafter.

**ALL INITIAL BIDS/OVERBIDS MUST BE IN WRITING AND BE RECEIVED BY THE DEBTOR AND DEBTOR'S COUNSEL, J. SCOTT WILLIAMS, 2301 DUPONT DRIVE, SUITE 530 IRVINE, CA 92612 BY NO LATER THAN THE DAY OF THE HEARING ON THE SALE MOTION.**

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Initial Bids/Overbids must be accompanied by a deposit ("Overbidder Deposit") in the form of certified funds, payable to "Continental Homecare, Inc., Debtor in Possession," in the following amounts: Unit One -- \$150,000.00; Units Two, Three and Four --\$25,000.00.

The over bidder must also provide evidence of having sufficient specifically committed funds to complete the transaction or a lending commitment for the bid amount and such other documentation relevant to the bidder's ability to qualify as the purchaser of Property and ability to close the sale and immediately and unconditionally pay the winning bid purchase price at Closing.

The overbidder must seek to acquire the Property on terms and conditions not less favorable to the Estate than the terms and conditions to which the Buyer has agreed to purchase the Property, including but not limited to completing any due diligence by the same deadline as imposed on the Buyer such that all bidders shall become non-contingent at the conclusion of the Buyer's Contingency Period as provided in the Purchase Agreement and closing on the sale of the Property in the same time parameters as the Buyer. For the purposes of bidding, all cash consideration shall be favored by the Debtor.

If overbids are received, the final bidding for the Property shall be held at the hearing on the Sale Motion in order to allow all potential bidders the opportunity to overbid and purchase the Property. At the final bidding to be conducted before the Court, the Debtor will seek entry of an order, inter alia authorizing and approving the sale of the Property to the bidder who the Debtor, in the exercise of its business judgment, may determine to have made the highest and best offer to purchase the Property, consistent with the Bidding Procedures ("Successful Bidder"). The hearing on the Sale Motion may be adjourned or rescheduled without notice other than by an announcement of the adjourned date at the hearing on the Sale Motion.

In the event Successful Bidder fails to close on the sale of the Property within the time parameters approved by the Court, the Debtor shall retain the Successful Bidder's Deposit

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and will be released from its obligation to sell the Property to the Successful Bidder and the Debtor may then sell the Property to the first back-up bidder approved by the Court at the hearing on the Sale Motion ("First Back-Up Bidder").

In the event First Back-Up Bidder fails to close on the sale of the Property within the time parameters approved by the Court, the Debtor shall retain the First Back-Up Bidder's Deposit and will be released from its obligation to sell the Property to the First Back-Up Bidder and the Debtor may then sell the Property to the second back-up bidder approved by the Court at the hearing on the Sale Motion ("Second Back-Up Bidder").

The foregoing Bidding Procedures will provide for an orderly completion of the sale of the Property and insures that potential overbidders are provided with full disclosure as to the overbid procedures and the specific Property to be sold.

**DEBTOR INTENDS TO OFFER EACH UNIT INDIVIDUALLY AND ALL FOUR TOGETHER OR ANY COMBINATION THEREOF. DEBTOR RESERVES THE RIGHT TO ACCEPT THE HIGHEST AND BEST OFFER IN ITS SOLE DISCRETION**