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<b>UNITED STATES BANKRUPTCY COURT          CENTRAL DISTRICT OF CALIFORNIA</b>	CASE NO.:  <p style="text-align: center;">LA-05-46183-BR</p>
In re:  RANDOLPH EUGENE OWENS  <p style="text-align: center;">Debtor(s).</p>	

**CORRECTED NOTICE OF SALE OF ESTATE PROPERTY**

Sale Date: 1/17/07	Time: 10:00 a.m.
Location: Courtroom 1668, 255 E. Temple St., Los Angeles, CA 90012	

Type of Sale:  Public     Private    Last date to file objections: 1/3/07

Description of Property to be Sold: \_\_\_\_\_  
 Parcel of developed real property located at  
 5321 Meadow Wood Ave., Lakewood, CA 90712

Terms and Conditions of Sale: \_\_\_\_\_  
 See attached

Proposed Sale Price: \$675,000

Overbid Procedure (If Any): See attached

If property is to be sold free and clear of liens or other interests, list date, time and location of hearing:

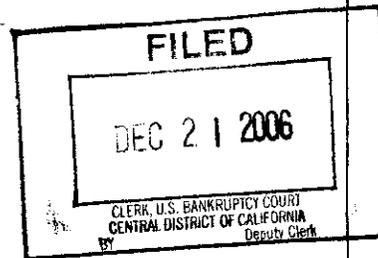
Contact Person for Potential Bidders (include name, address, telephone, fax and/or e:mail address):

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Date: 1/4/07

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10 Solely in His Capacity As Chapter 7 Trustee



11 UNITED STATES BANKRUPTCY COURT  
12 CENTRAL DISTRICT OF CALIFORNIA  
13 (LOS ANGELES DIVISION)

14 In re ) CASE NO. LA 05-46183-BR  
15 )  
16 ) Chapter 7  
17 RANDOLPH EUGENE OWENS, )

18 Debtor. ) **MOTION FOR ORDER:**  
19 ) (1) VACATING ORDER GRANTING  
20 ) MOTION FOR ORDER AUTHORIZING  
21 ) SALE OF REAL PROPERTY ENTERED  
22 ) ON OR ABOUT JUNE 26, 2006;  
23 ) (2) AUTHORIZING SALE OF REAL  
24 ) PROPERTY FREE AND CLEAR OF  
25 ) LIENS, CLAIMS AND INTERESTS;  
26 ) (3) ESTABLISHING OVERBID  
27 ) PROCEDURES;  
28 ) (4) AUTHORIZING CERTAIN PAYMENTS  
29 ) OUT OF ESCROW; AND  
30 ) (5) ISSUING AN ORDER COMPELLING  
31 ) ALL OCCUPANTS OF THE PROPERTY  
32 ) TO VACATE THE PREMISES UPON  
33 ) CLOSING

34 ) **MEMORANDUM OF POINTS AND**  
35 ) **AUTHORITIES AND DECLARATIONS IN**  
36 ) **SUPPORT THEREOF**

37 ) Date: January 17, 2006  
38 ) Time: 10:00 a.m.  
39 ) Dept: Courtroom "1668"  
40 ) 255 E. Temple Street  
41 ) Los Angeles, CA 90012

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1 overbid procedures; and (4) an order compelling the residents of the Property to vacate the Property  
2 upon closing.

3 7. On or about June 25, 2006, the Court entered an order (the "Initial Sale Order")  
4 approving the Initial Sale Motion. A true and correct copy of the Initial Sale Order is attached as  
5 Exhibit "1" to the Declaration of Alfred H. Siegel (the "Siegel Declaration") annexed hereto.

6 8. The Initial Sale Order approved a sale of the Property to James V. Thrower (the  
7 "Initial Buyer") for the purchase price of \$675,000 (the "Initial Purchase Price") in accordance with  
8 the terms of an agreement for the sale and purchase of the Property entered into between the Trustee  
9 and the Initial Buyer (the "Initial Agreement").

10 9. The Initial Buyer did not follow through with his purchase of the Property. The  
11 Initial Buyer did not provide the necessary loan documents and failed to fund the balance of the  
12 purchase price. As such, the sale of the Property to the Initial Buyer was not consummated. Based  
13 on the foregoing, the Trustee requests the entry of a Court order vacating the Initial Sale Order.

14 10. As part of the Initial Agreement, the Initial Buyer has tendered a deposit check in the  
15 amount of \$20,250.00 to the escrow company (the "Initial Deposit"). The Trustee also requests the  
16 entry of a Court order authorizing the Trustee to retain the Initial Deposit for the benefit of the estate  
17 and ordering the escrow company to turn over the Initial Deposit to the Trustee.

18  
19 **C. The Proposed Sale Of The Property**

20 11. The Trustee proposes to sell the Property, as is, where is, with no representations or  
21 warranties, free and clear of liens, claims and interests to Dennis John and Michelle Jefferson  
22 LoBeau (the "New Buyers") for the purchase price of \$590,000.00 (the "Purchase Price"), or to any  
23 qualified overbidder, with any such liens, claims and interests against the Property to attach to the  
24 proceeds of the sale (the "Proceeds"). A true and correct copy of the Sale Escrow Instructions,  
25

1 describing the terms of the new transaction (the "Sale Agreement"), is attached as Exhibit "2" to the  
2 Siegel Declaration.

3 12. The Trustee believes that it is in the best interest of the estate to facilitate a sale of the  
4 Property upon the terms of the Sale Agreement. The Purchase Price was the highest offer received  
5 by the Trustee. No bidders, other than the New Buyers, submitted deposits or sought to be qualified  
6 bidders on the Property. Since the entry of the Initial Sale Order, the real estate market has changed  
7 substantially resulting in the new Purchase Price.  
8

9 **D. Encumbrances On the Property**

10 13. Based on a printout of the preliminary title report, a copy of which is attached as  
11 Exhibit "3" to the Siegel Declaration, the Property appears to be encumbered by the following  
12 liens:<sup>1</sup>

13 A. Los Angeles County Tax Assessor (Assessor") - property taxes in the amount  
14 of \$508;

15 B. California Federal Bank, FSB ("CFB") - Lien to secure claim in the amount  
16 of \$226,400, although the Debtor's Schedule D shows that the secured claim is approximately  
17 \$195,000;

18 C. IRS recorded five (5) separate tax liens to secure claims for unpaid income  
19 taxes in the total amount of approximately \$579,593; and  
20

21 D. Abstract of judgment in favor of Chase Manhattan Bank ("Chase") in the  
22 amount of \$3,807.

23 14. In addition to the foregoing, following the entry of the Initial Sale Order, the title  
24

25 <sup>1</sup> The amounts of the encumbrances on the Property constitute estimates made by the Trustee based on the information available to the Trustee through the examination of public records, preliminary title reports, or other information informally provided to the Trustee.

1 company discovered three (3) separate grant deeds conveying fractional interests in the Property to  
2 Bonded Enterprises (the "Bonded Grant Deed"), Eagle Enterprises (the "Eagle Grant Deed") and the  
3 Debtor's wife, Sylvia L. Owens, (the "Owens Grant Deed"). True and correct copies of the Bonded  
4 Grant Deed and the Eagle Grant Deed are attached to the Siegel Declaration as Exhibits "4" and "5"  
5 respectively.

6 15. The Trustee contacted the foregoing transferees of the fractional interests in order to  
7 reconvey the Property back to the Debtor. Mrs. Owens executed a quitclaim deed (the "Quitclaim  
8 Deed") reconveying title to the estate. A true and correct copy of the Quitclaim Deed is attached as  
9 Exhibit "6" to the Siegel Declaration. Despite numerous requests, Mrs. Owens refuses to turn over  
10 the original Quitclaim Deed to the Trustee. The Trustee hereby requests the Court to deem a copy of  
11 the Quitclaim Deed as an original Quitclaim Deed with the same force and effect as the original  
12 Quitclaim Deed.  
13

14 16. The Trustee and his professionals had a difficult time communicating with Eagle  
15 Enterprises and Bonded Enterprises (collectively, the "Fractional Transferees") to obtain a similar  
16 result. After extensive communications, the Fractional Transferees provided the Trustee with  
17 executed quitclaim deeds transferring their interest in the Property to the estate, conditioned on the  
18 estate making certain payments to third parties (the "Demand"). A true and correct copy of the  
19 Demand is attached as Exhibit "7" to the Siegel Declaration. The Trustee cannot make payments  
20 pursuant to the Fractional Transferees' Demand without an order of the Court.  
21

22 17. The Trustee does not seek to impair the Fractional Transferees' rights. The Trustee  
23 proposes to sell the Property, free and clear of all liens, claims and interests, including but not  
24 limited to the liens, claims and interests of the Fractional Transferees, and to segregate the proceeds  
25 from the sale (the "Proceeds") pending further order of the Court, which will likely involve further

1 motions and hearing with respect to the Fractional Transferees' interest in the Proceeds. The  
2 Proceeds will be maintained in the escrow account pending resolution of the ownership claims of the  
3 Fractional Transferees.

4 18. Based on the foregoing, the Trustee also requests that the Court enter an order  
5 granting the Trustee power of attorney to take all actions he deems appropriate, including, without  
6 limitations, the power to sign a quitclaim deed, in order to effectuate the transfer of the Fractional  
7 Transferees' interest in the Property to the bankruptcy estate of the Debtor.

8 19. Thus, the estimated amounts of the liens or interests in the Property are substantially  
9 in excess of the proposed sale price. Notwithstanding the foregoing, the Trustee believes that the  
10 sale is proper and will provide a distribution to general unsecured creditors, as discussed in detail  
11 below.

12 20. In addition to the foregoing, the Debtor asserts a homestead exemption in the amount  
13 of \$150,000. However, because the IRS liens are statutory and not judicial liens, it is unlikely that  
14 the Debtor will be able to avoid any portion of such liens pursuant to 11 U.S.C. § 522 and will  
15 therefore not receive a homestead exemption in this case.

#### 16 17 **E. The Cost of Sale**

18 21. The total brokers' commissions on the sale of the Property will total \$29,500.00,  
19 which is 5% of the sale price. Moreover, closing costs are estimated to equal approximately  
20 \$7,700.00. As a result, the costs of sale will be approximately \$37,200.00.

#### 21 22 **F. Marketing Efforts**

23 22. JLR commenced marketing the Property immediately after it became clear that the  
24 Initial Buyer was not going to go through with the purchase of the Property. JLR waged an intense  
25 marketing effort to receive the highest and best offer as expeditiously as possible. Among JLR's

1 marketing efforts were publication of the Property in newspapers and the Multiple Listing Service,  
2 and conducting "open houses," as well as contacting other brokers and other interested parties to  
3 advise them about the availability of the Property.

4 23. Based on JLR's efforts, as set forth in the Declaration of Joan Lurie Farb attached  
5 hereto, the Trustee submits that the Court should find that the marketing of the Property was  
6 adequate and appropriate.

7 24. The New Buyers submitted the highest offer in the amount of \$590,000. Moreover,  
8 the New Buyers agreed that the Purchase Price, and the sale of the Property, will be subject to  
9 approval by this Court and subject to overbid. As a result, the Trustee now has new locked in buyers  
10 and the opportunity to hold an auction to determine whether a higher price may be attained for the  
11 Property.  
12

### 13 **G. Terms of the Sale**

14 25. The Trustee has accepted the New Buyers' offer to purchase the Property for  
15 \$590,000, subject to Court approval. A true and correct copy of the Sale Agreement, is attached as  
16 Exhibit "2" to the Siegel Declaration.

17 26. As part of the Sale Agreement, the New Buyers have tendered a deposit check in the  
18 amount of \$17,700.00 to the escrow company.

19 27. The sale is subject to the terms of the Sale Agreement and shall be "as is" and "where  
20 is," without warranty or recourse, subject only to overbid and to Bankruptcy Court approval.  
21

### 22 **H. Payments To Be Made From Escrow**

23 28. By this Motion, the Trustee seeks authority to pay the following items through  
24 escrow from the sale proceeds:

- 25 a. Brokers' commissions (the estate's and Buyer's brokers) - \$29,500 (5% of

1 the Purchase price);

2 b. Closing costs;

3 c. Claim of Assessor in an amount to be provided to escrow through a final  
4 payoff demand; and

5 d. Claim of CFB in an amount to be provided to escrow through a final payoff  
6 demand.

7 29. The Trustee intends to review and analyze the asserted secured claims of IRS to  
8 determine whether such claims are appropriate.

9 30. By this Motion, the Trustee is seeking the sale of 100% interest in the Property, free  
10 and clear of all liens, claims and interests, including but not limited to the liens, claims and interests  
11 of the Fractional Transferees, with all such liens, claims and interests against the Property, to the  
12 extent not satisfied from escrow, to attach to the Proceeds with the same force, effect, validity and  
13 priority that these liens, claims or interests had with respect to the Property.

14 **I. Sale of the Property is in the Best Interests of the Estate and its Creditors.**

15 31. The Trustee believes that the sale is in the best interest of the estate and should be  
16 approved.

17 32. This case is a liquidation proceeding under Chapter 7. The Trustee must liquidate all  
18 assets which will provide a return to creditors.

19 33. The Property, which is the estate's primary asset, is not an asset that may be  
20 distributed to creditors in its current form, and must be sold in order to allow a return to creditors.

21 34. Based on the information discussed above, there will be no unencumbered proceeds  
22 derived from the sale of the Property and, on the face, no benefit for general unsecured creditors.  
23 Notwithstanding the foregoing, the Trustee has formulated a strategy which will provide for a  
24  
25

1 distribution to general unsecured creditors. Specifically, 11 U.S.C. § 724(b) provides that liens  
2 securing tax claims are subordinated to administrative claims of the estate. The Trustee and all  
3 professionals have agreed to dedicate a portion of their allowed fees for the general unsecured  
4 creditors. In light of the fact that the claims in Debtor's Schedule F total approximately \$45,000, the  
5 Trustee believes that the foregoing procedure will provide a meaningful distribution to the general  
6 unsecured creditors. The alternative is that the secured creditors will likely foreclose on the  
7 Property and the unsecured creditors will receive absolutely nothing. The Trustee believes that his  
8 proposal is much more favorable to the estate and all creditors.  
9

10 35. The Purchase Price was arrived at following arm's length negotiations between the  
11 New Buyers and the Trustee, through JLR.

12 36. The Purchase Price is the highest offer received by the Trustee to date. The overbid  
13 opportunity, proposed by the Trustee and discussed below, will ensure that the final purchase price  
14 offered at the hearing on Motion will be the highest and best price that could have been obtained for  
15 the Property, which, by definition, will dictate its fair market value.

16 37. To the best of the Trustee's knowledge, the New Buyers have no connection with the  
17 Debtor, the Trustee or the real estate broker. The Purchase Price was arrived at following arms-  
18 length negotiations and the Trustee believes the Purchase Price is the best price obtainable. The  
19 Trustee has made the decision to sell the Property as an independent party, to an unrelated buyer,  
20 and there has been no fraud or collusion involved in this transaction.  
21

#### 22 **J. Overbid Procedures**

23 38. Any party may overbid for the purchase of the Property at the time of the hearing on  
24 the Motion. However, any such overbid should be on substantially the same terms and conditions  
25 set forth in the Sale Agreement (i.e., only the purchase price will change).

1           39.    In addition, the Trustee suggests that the initial overbid be equal to at least \$5,000  
2 and that all subsequent bids should be made in increments of at least \$5,000. The Trustee proposes  
3 that any overbid offers should not be subject to any loan contingencies, and that any potential  
4 purchasers should deposit with the Trustee the amount equal to \$17,700 (3% of the current Purchase  
5 Price) not later than seven (7) calendar days before the hearing, which shall be deemed to be a non-  
6 refundable deposit in the event that the bidder is the successful overbidder at the hearing. The only  
7 condition precedent for the sale to the successful bidder to close would be for the Trustee to obtain  
8 an order from the Court approving the conveyance of the Property free and clear of all liens, claims  
9 and interests. The sale must close no later than 11 days after date of entry of order approving the  
10 sale, which is consistent with the terms of the proposed sale to the Buyer.

11  
12    **K.    Compliance with Notice Requirements**

13           40.    The Trustee believes that he has complied with all of the notice requirements of the  
14 Bankruptcy Code, the Federal Rules of Bankruptcy Procedure and the Local Bankruptcy Rules.  
15 Notice of this Motion (the "Notice") and the overbid sale has been given to the United States  
16 Trustee, the Debtor, the Debtor's attorney, all creditors, and all parties in interest at least 24 days  
17 before the hearing date. The Notice includes the time and place of the overbid sale and the time  
18 fixed for filing objections. The Notice and Motion are being served upon the parties who have liens  
19 or interests in the Property, including the Fractional Transferees and the Trustee has filed the Notice  
20 and Form 6004-2 with the Clerk of the Bankruptcy Court.

21  
22    **L.    Compelling Occupants To Vacate the Property Upon Closing**

23           41.    Upon closing of the sale transaction, the Trustee must be able to turn over possession  
24 of the Property to the New Buyers. As a result, occupants of the Property, if any, must vacate the  
25 Property upon closing of the sale. The Trustee believes that the only occupant of the Property is the

1 Debtor and the Trustee is hopeful that the Debtor will cooperate in this sale process.

2 42. In an overabundance of caution, pursuant to this Motion, the Trustee seeks a Court  
3 order authorizing the U.S. Marshal to evict all occupants of the Property upon the date of closing of  
4 the sale transaction. Counsel for the Trustee has communicated with the U.S. Marshal's office and  
5 was advised that the U.S. Marshal requires the following relief in this Court's order in order to  
6 effectuate an eviction:

7 A. The order must authorize the U.S. Marshal to forcibly enter into the premises  
8 no earlier than five (5) days after service of the order upon the occupants of the Property;

9 B. The order must provide that the U.S. Marshal will be held harmless as a result  
10 of any wrongdoings in connection with the eviction;

11 C. The Trustee must deposit \$1,500 (which the Trustee seeks to fund out of the  
12 escrow proceeds as a cost of closing of the sale) with the U.S. Marshal pending the eviction. The  
13 U.S. Marshal's rate is \$45.00 per hour, which will be deducted from the deposit. Upon completion  
14 of the task, to the extent that any deposit still remains, funds will be turned over to the Trustee.  
15

16 43. The Trustee is hopeful that all occupants will timely vacate the Property and that the  
17 services of the U.S. Marshal will not be necessary. However, in an overabundance of caution, and  
18 to avoid the need to seek relief on an emergency basis in the future, the Trustee believes that such  
19 relief is appropriate at this time.  
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II.

DISCUSSION

A. **The Court Should Enter An Order Vacating The Initial Sale Order.**

1. **The Court Has The Power To Vacate The Initial Sale Order.**

The equitable power of bankruptcy courts to vacate or modify orders is well established. Taylor v. Lake (In re Cada Investments, Inc.), 664 F.2d 1158 (9<sup>th</sup> Cir. 1981). A bankruptcy court may, in the exercise of its equitable powers, enter an order vacating or modifying a previous order. This power was first expressed by the Supreme Court in Wayne United Gas Co. v. Owens-Illinois Glass Co., 300 U.S. 131, 137 (1937), where the Supreme Court stated “[W]e think the court has the power, for good reason, to revise its judgments upon seasonable application and before rights have vested on the faith of its action.”

This power is now formalized in Rule 9024 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), which makes Rule 60 of the Federal Rules of Civil Procedure (the “Rules”) applicable to bankruptcy cases. Under Rule 60(b), courts may vacate or modify final orders for a number of reasons. In re F.A. Potts & Co., Inc., 86 B.R. 853, 856 (Bankr. E.D. Pa. 1988), citing Wayne United Gas Co. v. Owens-Illinois Glass Co., 300 U.S. at 137. Specifically, Rule 60(b) provides that:

On motion and upon such terms as are just, the court may relieve a party or a party’s legal representative from a final judgment, order, or proceeding for the following reasons:

- (1) mistake, inadvertence, surprise, or excusable neglect;
- (2) newly discovered evidence which by due diligence could not have been discovered in time to move for a new trial under Rule 59(b);
- (3) fraud (whether heretofore denominated intrinsic or extrinsic), misrepresentation, or other misconduct of an adverse party;
- (4) the judgment is void;

1 (5) the judgment has been satisfied, released, or discharged, or a prior judgment upon which  
2 it is based has been reversed or otherwise vacated, or it is no longer equitable that the  
3 judgment should have prospective application; or

4 (6) any other reason justifying relief from the operation of judgment.

5 The motion shall be made within a reasonable time, and for reasons (1), (2), and (3) not more  
6 than one year after the judgment, order, or proceeding was entered or taken.

7 Fed. R. Civ. P. 60(b). See also, In re F.A. Potts & Co., Inc., 86 B.R. at 857 (the many subsections of  
8 this rule provide a broad spectrum of scenarios in which bankruptcy judges can vacate or modify  
9 prior orders).

10 Rule 60(b)(6) allows the liberal exercise of the power to vacate or modify an order. "This  
11 power can be exercised when needed to 'accomplish justice,' and provides a 'reservoir of equitable  
12 power.'" In re F.A. Potts & Co., Inc., 86 B.R. at 857, citing Commonwealth v. Durkalec (In re  
13 Durkalec), 21 B.R. 618, 619 (Bankr. E.D. Pa. 1982) (Rule 60(b) applicable whenever necessary to  
14 accomplish justice). However, to justify relief under Rule 60(b)(6), a party must show  
15 'extraordinary circumstances' suggesting the party is faultless, i.e., that circumstances beyond the  
16 moving party's control prevented it from taking timely action to protect its interests. See, Pioneer  
17 Investment Servc. Co. v. Brunswick Assoc. Ltd. Partnership, 507 U.S. 380, 392 (1993).

18 In light of the foregoing, extraordinary circumstances exist to permit the Court to vacate the  
19 Initial Sale Order.

20 **2. This Motion is Timely Under Rule 60 of the Federal Rules of Civil Procedure.**

21 Rule 60 requires that a motion under Rule 60(b) "shall be made within a reasonable time, and  
22 for reasons (1), (2), and (3) not more than one year after the judgment, order, or proceeding was  
23 entered or taken." Fed. R. Civ. P. 60(b). What constitutes "reasonable time" depends on the facts of  
24 each case. See United States of America v. Holtzman, 762 F.2d 720 (9th Cir. 1984); Ashford v.  
25

1 5. Following is a description of JLR's efforts in connection with marketing the  
2 Property:

3 a. JLR held "open houses" at the Property for real estate professionals and  
4 buyers.

5 b. JLR also advertised the Property online and in print media.

6 c. I also contacted other brokers who are active in the surrounding areas and/or  
7 who represent prospective buyers that may be interested in the Property.  
8

9 6. Following the foregoing efforts, the Buyer returned the highest price and the best  
10 terms with respect to the Property.

11 7. In addition to the foregoing, upon the filing of the Motion to which this declaration is  
12 attached, I will publish the date and time of the hearing on the Motion, as well as overbid  
13 information, on the Multiple Listing Service (MLS) and various other publications.

14 8. Finally, I will deliver copies of the Motion, with supporting exhibits, to all  
15 prospective overbidders that have contacted me.

16 9. In sum, I believe that the Property has been marketed so as to obtain the highest and  
17 best price for the estate.

18 I declare and verify under penalty of perjury that the foregoing is true and correct to the best  
19 of my knowledge.

20 Executed on this 21<sup>st</sup> day of December 2006, at Los Angeles, California.

21   
22 JOAN LURIE FARB

1 A hearing was held on June 19, 2006 at 2:00 p.m., before the Honorable Barry Russell,  
2 United States Bankruptcy Judge, in Courtroom "1668" of the United States Bankruptcy Court, 255  
3 East Temple Street, Los Angeles, California, to consider the motion ("Motion") filed by Alfred H.  
4 Siegel, the Chapter 7 Trustee (the "Trustee") for the estate of Randolph Eugene Owens (the  
5 "Debtor"), for (1) authority to sell a parcel of developed real property located at 5321 Meadow  
6 Wood Ave., Lakewood, CA 90712 (the "Property") free and clear of liens, claims, and interests, (2)  
7 authority to pay certain obligations in connection with the sale of the Property of escrow, (3) an  
8 order establishing overbid procedures; and (4) an order compelling the residents of the Property to  
9 vacate the Property upon closing (the "Motion"). Appearances were as set forth on the Court's  
0 record.

1 This Court, having considered the Motion, all pleadings and documents filed in support of  
2 the Motion, all responses to the Motion, the entire record of this case, statements and arguments of  
3 counsel made at the hearing on the Motion, proper notice of the Motion and the hearing on the  
4 Motion having been provided, and good cause appearing therefore,  
5

6 **THIS COURT HEREBY FINDS AND DETERMINES THAT:**

7 1. This Court has jurisdiction to hear and determine the Motion and all related matters  
8 pursuant to 28 U.S.C. §§ 1334 and 157. Venue of this proceeding in this district is proper pursuant  
9 to 28 U.S.C. § 1409. The Motion is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A), (N)  
10 and (O). The statutory predicates for the relief granted herein are sections 105 and 363 of the  
11 Bankruptcy Code, as supplemented by Bankruptcy Rules 2002, 6004, 9007, and 9014.  
12

13 2. Notice of the hearing on the Motion and sale was timely and properly given in  
14 compliance with sections 102(1), 363(b) and 363(f) of the Bankruptcy Code, Federal Rules of  
15

1 Bankruptcy Procedure 2002(a),(c) and (k), 2002(c) and 6004, 9014, and Local Bankruptcy Rules  
2 6004-2 and 9013-1, and was reasonable and appropriate under the circumstances.

3  
4 3. The Trustee has demonstrated that the sale of the Property is in the best interests of  
5 the Debtor's estate and based on sound business justifications, and is appropriate under 11 U.S.C. §  
6 363.

7  
8 4. The Trustee has demonstrated that the Property was adequately marketed.

9  
0 5. The Trustee demonstrated that the price offered by to James V. Thrower (the  
1 "Buyer") of \$675,000 (the "Sale Price") was fair and reasonable, subject to overbid, and was  
2 proposed, negotiated, and offered in good faith after arms-length bargaining and negotiations  
3 between the Buyer and the Trustee.

4  
5 6. No bidders, other than the Buyer, submitted deposits or sought to be qualified bidders  
6 on the Property.

7  
8 7. The Buyer is therefore deemed by the Court to be the highest (and only) bidder for  
9 the Property based on the Sale Price of \$675,000. The Buyer is, therefore, the successful bidder for  
10 the Property.

11  
12 8. The Buyer is a good faith purchaser of the Property within the meaning of 11 U.S.C.  
13 § 363(m) and will be entitled to the protections of 11 U.S.C. § 363(m).

14  
15 9. The Trustee's sale of the estate's interest in the Property to the Buyer shall be free  
16 and clear of all liens, claims and interests and is appropriate under 11 U.S.C. § 363(b) and (f),  
17 subject to the payment of certain secured claims from escrow as described below.  
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10. The following liens and secured claims must be paid from escrow in connection with the sale of the Property:

- a. Los Angeles County Tax Assessor ("Assessor") lien in the approximate amount of \$508, subject to payoff demand to be provided to escrow; and
- b. California Federal Bank, FSB ("CFB"), lien in the approximate amount of \$195,000, or pursuant to a payoff demand substantiating the appropriate payoff amount.

11. The following liens shall attach to the proceeds of the sale with the same extent, validity and priority as such liens were entitled to immediately prior to the sale, pending further order of this Court:

- a. United States of America ("USA") lien in the approximate amount of \$579,593; and
- b. Chase Manhattan Bank ("Chase") judgment lien in the approximate amount of \$3,807.

**BASED UPON ALL OF THE FOREGOING, IT IS HEREBY ORDERED AS FOLLOWS:**

A. The terms of the agreement for the sale and purchase of the Property, which are set forth in Exhibit "A" to the Motion, between the Trustee and Buyer are hereby approved.

B. The Trustee's sale of the estate's interest in the Property to the Buyer is hereby approved in accordance with the terms and conditions set forth above.

C. The Trustee is authorized to take all steps necessary and proper to implement the terms of the sale agreement and consummate the sale of the Property to the Buyer.

D. The sale of the Property shall be free and clear of any and all liens, claims, encumbrances, and interests, (collectively, the "Liens") pursuant to 11 U.S.C. § 363(f), with such

1 Liens to attach to the sale proceeds (the "Proceeds") in the order, priority, validity that existed prior  
2 to the sale.

3 E. The Trustee is authorized to pay the following secured claims from escrow upon the  
4 closing of the sale of the Property to Buyer:

5 1. Assessor's lien in the approximate amount of \$508, subject to payoff demand  
6 to be provided to escrow; and

7 2. CFB's lien in the approximate amount of \$195,000, or pursuant to a payoff  
8 demand substantiating the appropriate payoff amount.

9 F. The following Liens shall attach to the Proceeds in the order, priority, validity that  
0 existed prior to the sale, pending further order of this Court:

1 1. USA's lien in the approximate amount of \$579,593; and

2 2. Chase's judgment lien in the approximate amount of \$3,807

3 G. The Trustee is authorized to pay all real estate commissions and closing costs directly  
4 out of escrow.

5 H. The Buyer is a good faith purchaser of the Property within the meaning of 11 U.S.C.  
6 § 363(m) and is hereby entitled to the protections of 11 U.S.C. § 363(m).

7 I. All residents and occupants of the Property are hereby ordered and directed to vacate  
8 the Property on or before the closing of the sale to the Buyer. In the event that the Property is not  
9 vacated on or before the closing of the sale to Buyer, the Trustee shall be authorized to utilize the  
10 services of the office of the United States Marshall ("Marshall") to enforce the eviction provisions of  
11 this order.

12 J. In the event that the Trustee utilizes the services of the Marshall to enforce the  
13 eviction provisions of this order, the Marshall is hereby authorized to forcibly enter onto the  
14

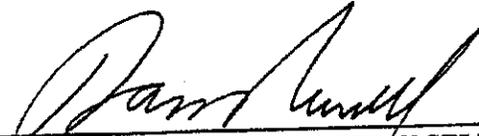
1 Property and into the premises therein no earlier than five (5) days after service of this Order, once it  
2 becomes a final and nonappealable order, upon the occupants of the Property;

3 K. In the event that the Trustee utilizes the services of the Marshall to enforce the  
4 eviction provisions of this order, the Marshall shall be held harmless as a result of any wrongdoings  
5 in connection with the eviction;

6 L. In the event that the Trustee utilizes the services of the Marshall to enforce the  
7 eviction provisions of this order, the Trustee is hereby authorized to deposit such sums as may be  
8 required (estimated to be \$1,500) from the escrow proceeds with the Marshall pending the eviction,  
9 with the balance of funds from the deposit, to the extent not exhausted, to be turned over to the Trustee.

0 M. Subject to further order of this Court, the Trustee and his professionals are authorized  
1 to voluntarily allocate a portion of their compensation, in accordance with 11 U.S.C. § 724(b), for  
2 the benefit of the general unsecured creditors of this estate.  
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4  
5 Dated: June 2, 2006

  
6 THE HONORABLE BARRY RUSSELL  
7 UNITED STATES BANKRUPTCY JUDGE  
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**PROOF OF SERVICE**  
STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am an employee in the County of Los Angeles, State of California. I am over the age of 18 and am not a party to the within action; my business address is: 10250 Constellation Blvd., Suite 1700, Los Angeles, California 90067.

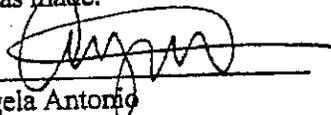
On June 20, 2006, I served the foregoing document(s) described as:

**ORDER GRANTING MOTION FOR ORDER: (1) AUTHORIZING SALE OF REAL PROPERTY FREE AND CLEAR OF LIENS, CLAIMS AND INTERESTS; (2) ESTABLISHING OVERBID PROCEDURES; (3) AUTHORIZING CERTAIN PAYMENTS OUT OF ESCROW; AND (4) ISSUING AN ORDER COMPELLING ALL OCCUPANTS OF THE PROPERTY TO VACATE THE PREMISES UPON CLOSING**

on the interested parties in this action by placing a true copy thereof enclosed in a sealed envelope with postage thereon fully prepaid in the United States mail at Los Angeles, California, addressed as follows:

SEE ATTACHED SERVICE LIST

- (By Mail) I caused such envelope with postage thereon, fully prepaid to be placed in the United States mail. Executed on June 20, 2006, at Los Angeles, California.
- (By Facsimile) I caused said document to be sent via facsimile. Executed on \_\_\_\_\_, 2006, at Los Angeles, California.
- (By Federal Express) I caused said document to be sent via Federal Express for next business day delivery. Executed on \_\_\_\_\_, 2006, at Los Angeles, California.
- (By E-mail) I caused such documents to be delivered by email to addressee indicated on the service list. Executed on \_\_\_\_\_, 2006 at Los Angeles, California.
- (By Personal Service) I caused such envelope to be delivered by hand to the offices of the addressee. Executed on \_\_\_\_\_, 2006 at Los Angeles, California.
- (State) I declare under penalty of perjury under the laws of the State of California that the above is true and correct.
- (Federal) I declare that I am an employee in the offices of a member of the State Bar of this Court at whose direction the service was made.

  
Angela Antonio

Motion

Debtor  
Randolph Eugene Owens  
5321 Meadow Wood Ave  
Lakewood CA 90712

Dr's Attorney  
W E. Smyth, Esq.  
Wilshire Blvd., Ste. 988  
Los Angeles, CA 90010

Chapter 7 Trustee  
Alfred H Siegel  
Siegel, Gottlieb, Mangel & Levine  
15233 Ventura Blvd., 9th Floor  
Sherman Oaks, CA 91403-2201

U.S. Trustee  
Ernst & Young Plaza  
725 S. Figueroa Street, 26th Floor  
Los Angeles, CA 90017

Trustee for Special Notice  
Trustee for Citimortgage, Inc.  
B. Bonial  
F. Lozano, Jr.  
P. Thomason  
B. Jones

Nettie Becker Escrow, Inc.  
301 N. Canon Drive  
Beverly Hills, CA 90210

Land America Gateway Title  
Gateway Title Company  
1405 N. San Fernando Blvd.  
Burbank, CA 91504

W. G. Charalambopoulos  
W. Vander, Linden & Wernick, P.C.  
LBJ Freeway, Suite 350  
Dallas, TX 75243

Internal Revenue Service  
P.O. Box 30216  
Laguna Niguel, CA 92607

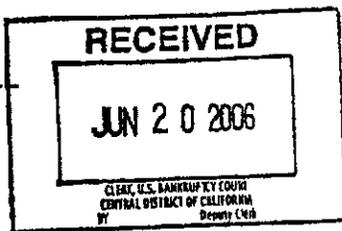
Internal Revenue Service  
24000 Avila Road, Mail Stop 5910  
Laguna Niguel, CA 92677

Internal Revenue Service  
1100 N. Los Angeles St., Mail Stop 5027  
Los Angeles, CA 90012

Debtor or Party Name, Address and Telephone Number

FOR COURT USE ONLY

AIG M. RANKIN (SBN 169844)  
AVID B. GOLUBCHIK (SBN 185520)  
EVE NEALE, BENDER, RANKIN & BRILL  
250 Constellation Blvd., Suite 1700  
Los Angeles, CA 90067  
Telephone: (310) 229-1234  
Facsimile: (310) 229-1244  
*Attorneys for Alfred J. Siegel, Chapter 7 Trustee*



UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA

DOLPH EUGENE OWENS,

Debtor

Case No. LA 05-46183-BR

CHAPTER 7

**NOTICE OF ENTRY JUDGMENT OR ORDER  
AND CERTIFICATE OF MAILING**

ALL PARTIES IN INTEREST ON THE ATTACHED SERVICE LIST:

1. You are hereby notified, pursuant to Local Bankruptcy Rule 9021-1(1)(a)(v), that a judgment or order entitled (specify):  
dated on (specify date):

6/26/06

**ORDER GRANTING MOTION FOR ORDER: (1) AUTHORIZING SALE OF REAL PROPERTY  
FREE AND CLEAR OF LIENS, CLAIMS AND INTERESTS; (2) ESTABLISHING OVERBID  
PROCEDURES; (3) AUTHORIZING CERTAIN PAYMENTS OUT OF ESCROW; AND  
ISSUING AN ORDER COMPELLING ALL OCCUPANTS OF THE PROPERTY TO VACATE THE  
PREMISES UPON CLOSING**

I hereby certify that I mailed a copy of this notice and a true copy of the order or judgment of the persons and entities on the  
following parties on (specify date):

6/26/06

S. Trustee  
OFFICE OF THE US TRUSTEE  
25 S. FIGUEROA STREET  
SUITE 2600  
LOS ANGELES, CA 90017

Debtor's Attorney  
Andrew E. Smyth, Esq.  
4929 Wilshire Blvd., Ste. 988  
Los Angeles, CA 90010

Chapter 7 Trustee  
ALFRED SIEGEL  
SIEGEL GOTTLIEB MANGEL & LEVINE LLP  
15233 VENTURA BLVD  
9TH FLOOR  
SHERMAN OAKS, CA 91403

Counsel for Chapter 7 Trustee  
AVID B. GOLUBCHIK  
EVE NEALE BENDER RANKIN  
BRILL LLP  
250 CONSTELLATION BLVD.  
SUITE 1700  
LOS ANGELES, CA 90067

dated: 6/26/06

JON D. CERETTO  
Clerk of the Bankruptcy Court

by:

**SALE ESCROW INSTRUCTIONS**

Antonia Delgado/Anna De La Rosa, Escrow Officers

Escrow No.: 025679-AA

DATE: November 14, 2006

Buyer will WIRE TRANSFER or hand you a CASHIER'S CHECK Payable to Nettie Becker Escrow, Inc. THREE BUSINESS DAYS PRIOR TO THE CLOSE OF ESCROW DATE PLUS ANY CLOSING COSTS AND/OR ADJUSTMENTS	(7,700.00)
Buyer has paid to seller outside of escrow, receipt of which is hereby acknowledged by seller the sum of	17,700.00
Buyer herein to obtain a new first trust deed loan in the amount of	580,000.00

**Total Consideration** ..... **\$590,000.00**

Close of escrow to be within **ELEVEN (11) DAYS AFTER THE ENTRY IN BANKRUPTCY COURT DOCKET, OF THE ORDER CONFIRMING SALE** (or sooner, if mutually agreed in writing).

Buyer shall hand you or cause to be handed you **\$590,000.00, \$17,700.00** of which has been deposited outside of escrow. The balance of funds due, plus any closing costs and/or prorations shall be deposited **THREE (3)** business days prior to close of escrow in form of a locally clearing cashier's check or one business day prior to closing via federal wire transfer.

BUYER UNDERSTANDS AND AGREES THAT ANY AND ALL DEPOSITS MADE TO ESCROW, OTHER THAN VIA CASHIER'S CHECK OR WIRE TRANSFER, REQUIRE THAT FUNDS HAVE CLEARED (I.E., A COPY OF THE CANCELLED CHECK FRONT AND BACK AND/OR BANK STATEMENT). BUYER HEREBY AGREES TO FURNISH SUCH PROOF PRIOR TO THE CLOSE OF ESCROW. ALL OTHER FUNDS SUCH AS PERSONAL, CORPORATE OR PARTNERSHIP CHECKS AND DRAFTS ARE SUBJECT TO MANDATORY HOLDING PERIODS WHICH MAY CAUSE MATERIAL DELAYS IN DISBURSEMENT OF FUNDS IN THIS ESCROW. IN ORDER TO AVOID DELAYS, ALL FUNDINGS SHOULD BE WIRE TRANSFERRED. OUTGOING WIRE TRANSFERS WILL NOT BE AUTHORIZED UNTIL CONFIRMATION OF THE RESPECTIVE INCOMING WIRE TRANSFER OR OF AVAILABILITY OF DEPOSITED CHECKS.

Seller will hand you a **QUITCLAIM DEED**, and Buyer and Seller will deliver to you all additional funds and documents required of them, respectively, to enable you to comply with these instructions, all of which you are authorized to use or deliver provided all provisions and conditions of this escrow have been complied with before the date set forth above, and you hold in this escrow money and documents deliverable under these instructions and can obtain a standard **CLTA** Owners policy of title insurance from Gateway Title Company in the issuing title company's usual form and with the title company's usual exceptions, with a liability of **\$590,000.00**, covering real property in the City of **Lakewood** in the County of **Los Angeles**, State of **California**, vis:

Legal description to be provided by insuring title company. Seller's execution of the Quitclaim Deed and Buyer's approval of the preliminary title report shall constitute full approval thereof.

Buyer and Seller state that the property is commonly known as: **5321 Meadow Wood Avenue, Lakewood, CA 90712** No verification of said address shall be required of Escrow Holder and Escrow Holder shall have no responsibility nor liability regarding same.

**SHOWING TITLE VESTED IN:** Dennis John and Michelle Jefferson LeBeau (exact vesting to be furnished in writing as soon as possible to provide for the drawing of all necessary documents)

**SUBJECT ONLY TO:**

Alfred H. Siegel, solely in his capacity as Chapter 7 Trustee of the Bankruptcy Estate of Randolph Eugene Owens \_\_\_\_\_  
Dennis John

BY: \_\_\_\_\_  
Alfred H. Siegel, solely in his capacity as Chapter 7 Trustee \_\_\_\_\_  
Michelle Jefferson LeBeau



301 North Canon Drive • Beverly Hills, CA 90210  
Phone: (310) 275-1042 • Fax: (310) 275-1219

**EXHIBIT** 2

Page 2 of 6: Additional instructions made a part of previous pages and fully incorporated therein.

- (1) Second Half General and special Taxes for the fiscal year 2006 and 2007, including bonds, special assessments and personal property taxes, if any, assessed against former owner, and/or supplemental taxes assessed pursuant to the provisions of Chapter 498, Statutes of 1983 of the State of California. (Change of Ownership will affect the taxes to be paid. A Supplemental Tax Bill will be issued and BUYER accepts all responsibility for all additional taxes due because of said reassessment. TAX BILLS ISSUED AFTER THE CLOSE OF ESCROW SHALL BE HANDLED DIRECTLY BETWEEN BUYERS AND SELLERS.)
- (2) Covenants, conditions, restrictions, reservations, rights, rights of way, and easements, and any oil, gas, or mineral reservations now of record, if any.
- (3) First Deed of Trust to record securing a note in the amount of \$580,000.00.

**THIS ESCROW IS ESTABLISHED FOR THE PURPOSE OF IMPLEMENTING THE TERMS AND PROVISIONS OF THAT CERTAIN CALIFORNIA RESIDENTIAL PURCHASE AGREEMENT AND JOINT ESCROW INSTRUCTIONS, dated as of OCTOBER 30, 2006 (hereinafter referred to as the "Agreement"), by and between Alfred H. Siegel, solely in his capacity as Chapter 7 Trustee of the Bankruptcy Estate of Randolph Eugene Owens as Seller (hereinafter "Seller"), and Dennis John and Michelle Jefferson LeBeau as Buyer (hereinafter "Buyer"), TOGETHER WITH EIGHTEEN PAGE COUNTER OFFER, BUYER'S INSPECTION ADVISORY, STATEWIDE BUYER AND SELLER ADVISORY AND PURCHASE AGREEMENT ADDENDUM NO. (1). BUYER AND SELLER ACKNOWLEDGE THAT THE ACCEPTANCE DATE OF THIS ESCROW IS NOVEMBER 7, 2006. THE FOREGOING AGREEMENT TOGETHER WITH COUNTER OFFER AND OTHER MUTUAL INSTRUCTIONS ARE MADE A PART HEREOF.**

These escrow instructions are not intended to alter, modify or supersede the Agreement unless specifically stated herein and only to the extent necessary to conform to the practices and governing regulations of Escrow Holder. In the event of a conflict between these instructions as prepared by Escrow Holder and the Agreement, as to the rights, duties and obligations of the parties to this escrow, the Agreement shall prevail and control; however, as to the duties, rights and obligations of Escrow Holder, these escrow instructions shall be deemed to prevail and control.

Escrow Holder shall perform only those acts and duties which fall under the purview of escrow as practiced in this geographical area and as permitted under the rules and regulations of the California Department of Corporations governing their escrow licensees. Any provisions of the Agreement which consist primarily of agreements between Buyer and Seller regarding matters or occurrences that do not fall within the ordinary or customary duties or functions of an Escrow Holder, including but not limited to post-closing adjustments (if any), or which constitute warranties or representations from one party to another, shall not be considered to be a part of these Escrow Instructions and Escrow Holder shall not be concerned with nor liable for same in any way whatsoever, whether or not such provisions are specifically enumerated in the following instructions as matters of memorandum or matters with which Escrow Holder shall specifically not be concerned; these items include but are not limited to:

Seller is aware that interest on the existing loan(s) does not stop accruing at close of escrow, but continues until the actual day of receipt of the payoff by Lender.

Seller is aware that interest will accrue through weekends and holidays.

Seller is aware he/she/they are responsible for payment of all of such interest and will indemnify and hold Escrow Holder harmless in connection with the payment of such interest.

**MAKE THE FOLLOWING PRORATIONS, ADJUSTMENTS AND CHARGES: Prorate as of Close of Escrow**

- Real Property Taxes as of close of escrow. (See item #17 of General Provisions)

- (4) Charge to Seller and pay from funds held for Seller's account in this escrow:
  - a. Policy of title insurance.
  - b. Documentary Transfer Tax in the amount of \$649.00. (County of Los Angeles)
  - c. Pay broker's commission, if any, as authorized by Seller by separate instructions attached hereto and made a part hereof.
  - d. Regardless of consummation of this escrow, Seller agrees to pay on demand charges and expenses incurred by you for Seller, including offset statements and beneficiary statements and/or demands, filling in, notarizing and recording any documents necessary on Seller's part, transfer of the insurance if prorated, and Seller's portion of escrow fee as charged.
  - e. The amount of any bond or assessment which is now a lien.
  - f. Payments on Mello-roos and other Special Assessment bond and assessments which are now a lien shall be paid current by Seller; payments that are not yet due shall be assumed by Buyer without credit toward the purchase price.

Alfred H. Siegel, solely in his capacity as Chapter 7 Trustee  
of the Bankruptcy Estate of Randolph Eugene Owens

\_\_\_\_\_  
Dennis John

BY:

Alfred H. Siegel, solely in his capacity as Chapter 7  
Trustee

\_\_\_\_\_  
Michelle Jefferson LeBeau

Page 3 of 6: Final instructions made a part of previous pages incorporated therein.

- (5) Charge to Buyer and pay from funds held for Buyer's account in this escrow:
- Regardless of consummation of this escrow, Buyer agrees to pay on demand charges and expenses incurred by you for Buyer, including recording deed, mortgage clause on insurance, filling in, notarizing and recording Trust Deed and other documents necessary on Buyer's part, and Buyer's portion of escrow fee as charged.
  - If the Seller is the beneficiary of any Note and Trust Deed created herein, you are instructed to order "H" type tax service for the terms of the loan and to record a Request for Notice in favor of Seller.
  - Insurance premium on new policy to be obtained by Buyer if Buyer causes same to be deposited into escrow for payment.

**OTHER COSTS:**

- SELLER shall pay for zone disclosure reports, to be issued by Property ID, if any.

**ALL BUYER'S CONTINGENCIES IN THIS ESCROW SHALL BE REMOVED BY THE PASSIVE METHOD, WHICH MEANS SILENCE DEEMS APPROVAL.**

- (6) Buyer hereby acknowledges that compliance with all applicable city ordinances shall be handled OUTSIDE OF ESCROW and that Escrow Holder is hereby held free and harmless from any/all liability and/or responsibility in connection therewith. If local ordinance requires that the property be brought in compliance with minimum retrofitting standards including but not limited to energy conservation, smoke detectors, seismic automatic gas shut-off valve, water heater bracing and/or low-flush toilet standards as a condition of sale or transfer, Buyer shall comply with and pay for these requirements. Buyer hereby relieves Nettie Becker Escrow, Inc., Real Estate Brokers and their agents, and Seller of any and all liability in connection therewith.
- (7) Buyer waives the right to be presented with a report of Resident Property Records issued by the City of Lakewood on the subject property at the close of escrow. Should Buyer request said Report it shall be buyer's responsibility to order said report OUTSIDE OF ESCROW. Further, it shall be buyer's responsibility to comply with any city ordinance regarding same as buyer is purchasing the property in AS IS condition. Buyer instructs Escrow Holder not to be concerned with said report and parties indemnify and holds Escrow Holder harmless with respect to same.
- (8) Buyer hereby waives the requirements of a professional termite inspection of the subject property. Buyer is aware that no termite inspection report or termite certificate of completion shall be provided through this escrow. Buyer acknowledge that there may be termite infestation in the property not known to or discovered by the Seller and Brokers and therefore not disclosed to Buyer, and/all of which might be discovered in a professional termite inspection. Buyer hereby indemnifies and holds harmless Seller, Brokers, and Escrow Holder, herein from any costs, expense, damage, or liability, including attorney's fees, incurred by Buyer as a result of not having a professional termite inspection of subject property and completing this transaction without said inspection report or completion certificate.
- (9) Buyer is aware that Seller states that Seller is exempt from completing any instrument, affidavit, statement or instruction reasonably necessary to comply with federal (FIRPTA) and California withholding law, if required. Buyer hereby holds Seller, Brokers and their Agents, and Escrow Holder free and harmless from any and all liability and/or responsibility in connection therewith.
- (10) Buyer is aware that Seller has an escrow pending cancellation; and Seller will include resolution of this cancellation in certified court order to be recorded at close of escrow. Seller herein agree(s) to hold Buyer, Brokers and its agents, and Nettie Becker Escrow Inc. and its employees free and harmless from any liability and/or responsibility with regard to same.

**DEED WILL PROVIDE:** "After recordation, mail deed and tax statement to the following address: address to be provided through escrow .

The parties herein are aware that prior to close of escrow and recordation of any documents, we must be able to confirm that any check deposited with us for closing has been paid by the issuing institution so that we can comply with the requirements of AB 512 and the Department of Corporations regulations prohibiting us from closing escrow and disbursing funds at closing to Sellers, Brokers, Lenders, Title Companies and others if any if those funds are "uncollected" at the time of closing, despite what your bank or savings institution may tell you, a stop payment may be placed on a Cashier's Check or Savings & Loan Check.

In the event this escrow does not record at 8:00 A.M., but does not record during the same calendar day as a "Special Recording" at a later hour, the undersigned Seller acknowledges that funds may not be available for disbursement until the following business day, therefore, Seller will continue paying interest on such loans until they are so paid, unless Escrow Holder receives written instructions to the contrary, should recordation at 8:00 A.M. not be available. Escrow Holder shall proceed with the consummation and recordation of this transaction as such "Special Recording".

Alfred H. Siegel, solely in his capacity as Chapter 7 Trustee  
of the Bankruptcy Estate of Randolph Eugene Owens

Dennis John

BY:

Alfred H. Siegel, solely in his capacity as Chapter 7  
Trustee

Michelle Jefferson LeBeau

Date: November 2006

Escrow No.: 025679-AA

Page 4 of 6: Additional instructions made a part of previous pages and hereby incorporated therein.

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Alfred H. Siegel, solely in his capacity as Chapter 7 Trustee  
of the Bankruptcy Estate of Randolph Eugene Owens

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Dennis John

BY: \_\_\_\_\_  
Alfred H. Siegel, solely in his capacity as Chapter 7  
Trustee

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