

Attorney or Party Name, Address, Telephone & FAX Nos., State Bar No. & Email Address Asa S. Hami (CA Bar No. 210728) ahami@sulmeyerlaw.com SulmeyerKupetz A Professional Corporation 333 South Hope Street, Thirty-Fifth Floor Los Angeles, California 90071-1406 Telephone: 213.626.2311 Facsimile: 213.629.4520 <input type="checkbox"/> Individual appearing without attorney <input checked="" type="checkbox"/> Attorney for: Howard M. Ehrenberg, Ch 7 Trustee	FOR COURT USE ONLY
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**UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA – LOS ANGELES DIVISION**

In re: BAHRAM NAVABIAN, Debtor(s).	CASE NO.: 2:13-bk-24630-TD CHAPTER: 7 <p style="text-align: center;">NOTICE OF SALE OF ESTATE PROPERTY</p>
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Sale Date: June 12, 2014	Time: 10:00 a.m.
Location: 255 E. Temple St., Los Angeles, CA 90012 – Courtroom 1345	

Type of Sale: Public Private **Last date to file objections: May 29, 2014**

Description of property to be sold: Residential Real Property at 269 S. Almont Dr., Beverly Hills, CA 90211; APN: 4331-027-018

Terms and conditions of sale: See attached Exhibit 1.

Proposed sale price: \$2,926,000.00

This form is mandatory. It has been approved for use in the United States Bankruptcy Court for the Central District of California.

Overbid procedure (if any): See attached Exhibit 2.

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

June 12, 2014

10:00 a.m.

255 E. Temple Street

Los Angeles, CA 90012

Courtroom 1345

Contact person for potential bidders (include name, address, telephone, fax and/or email address):

Asa S. Hami, Esq.

SulmeyerKupetz, A Professional Corporation

333 S. Hope Street, 35th Floor

Los Angeles, CA 90071

Tel: 213.626.2311

Date: May 22, 2014

EXHIBIT 1

- Court Approval and “As Is” Sale: The Sale is subject to Bankruptcy Court approval and shall be on an “as is,” “where is” and “with no warranty or recourse whatsoever” basis.
- Purchase Price and Initial Deposit: Mehr shall pay a total purchase price of \$2,926,000.00, cash, subject to overbid. Any other bid for the Property that ultimately is the successful bid shall be the total purchase price to be paid by the Buyer. Mehr already has tendered an initial deposit of \$87,780.00 as required by the Purchase Agreement, subject to forfeiture as set forth in the Purchase Agreement, and no contingencies or due diligence period remain.
- Tender of Full Purchase Price/Closing: The Sale shall close, with Mehr (or other Buyer) tendering the full purchase price (the “Purchase Price”), not later than 15 calendar days after entry of an order authorizing the Sale (the “Closing Date”).
- Transfer of Property: The Trustee shall transfer the Estate’s interest in the Property by a Trustee’s Fiduciary Quitclaim Deed.
- Liens, Claims, Encumbrances and Other Interests: The Sale shall be free and clear of all liens, claims, encumbrances or other interests, with such liens to attach to the net proceeds of the Sale to the same extent, validity, enforceability and priority of such liens that existed prior to the Sale, including, but not limited to the following: (1) Deed of Trust in favor of All Century Inc., recorded August 3, 2004, against the Property, for the principal balance of \$600,000.00 (the “All Century DOT”); (2) Deed of Trust originally in favor of J & R Lending, Inc., and currently in favor of The Bank of New York Mellon, recorded June 29, 2006, against the Property, for the principal balance of \$1,500,000 (although the Trustee is informed and believes that the current total amount owing on account of this debt is approximately \$1,833,000.00) (the “BNY DOT”); (3) Deed of Trust in favor of J & R Lending, Inc., recorded on June 29, 2006, against the Property, for the principal balance of \$200,000.00 (although the Trustee is informed and believes that the current total amount owing on account of this debt is approximately \$240,000.00) (the “J&R DOT”); and (4) Abstract of Judgment in favor of Fred and Zari Fooladi, recorded on May 8, 2013, for the principal balance of \$744,428.00 (the “Fooladi Judgment” and collectively with the All Century DOT, the BNY DOT, and the J&R DOT, the “Liens”).

- Assessments, Taxes, Escrow Fees and Other Costs: The Sale shall be subject to: (1) all general and special taxes that are presently due, or may become due, regarding the Property, other than real property taxes, which shall be prorated at the close of escrow; (2) any lien for supplemental taxes that may be assessed under California Revenue and Taxation Code; and (3) any and all easements, restrictions, rights, and conditions of record and rights of way, against, on or regarding the Property. The Trustee in his capacity as the seller of the Property (“Seller”) and Mehr shall each bear 50% of the escrow fees. Mehr shall pay for the costs of a title insurance policy, and any reports. Old Republic shall serve as the escrow and title company.
- Overbid: The Sale is subject to higher and better bid pursuant to the Overbid Procedures (subject to Bankruptcy Court approval).
- Broker Commissions: The Broker shall be paid a total commission of 6% of the Purchase Price from the proceeds of the Sale and through escrow without further Order of the Court in accordance with this Court’s order approving the Trustee’s employment of the Broker.
- Good Faith Finding: Buyer shall be deemed a “good faith” buyer in accordance with 11 U.S.C. § 363(m).
- Post-Petition Lease of Property: As discussed more fully below, post-petition, the Debtor entered a lease agreement pursuant to which the Debtor purported to lease the Property to tenants (the “Post-Petition Lease”). The Debtor entered the Post-Petition Lease without the Trustee’s knowledge or any authority. Nevertheless, whereas the Trustee reserves all rights against the Debtor as a result of such action, Mehr has agreed to purchase the Property subject to the Post-Petition Lease.

EXHIBIT 2

Overbid Procedures

The Trustee seeks to sell the Property subject to the following Overbid Procedures:

(1) Overbid Amount and Purchase Agreement

Any person or entity desiring to submit an overbid for the purchase of the Estate's interest in the Property ("Overbidder") shall advise the Trustee's bankruptcy counsel (contact information above) of his, her or its intent to bid on the Property and the amount of the overbid (the "Overbid"), which must be at least \$2,955,260.00 (i.e., the current sales price plus a \$29,260.00 minimum overbid amount), cash, by no later than 5:00 p.m. (PST), on the business day that is at least two days prior to the hearing on the Motion (the "Overbid Deadline") (i.e., by 5:00 p.m. (PST) on June 10, 2014, based on the current hearing date). In his absolute and sole discretion, the Trustee shall have the right to accept an Overbid at any time after the Overbid Deadline.

Together with the amount of the Overbid, the Overbidder must submit a purchase agreement, signed by the Overbidder, that contains a purchase price of at least \$2,955,260.00, and contains other terms and conditions that are the same as, or no less favorable to the Estate (in the Trustee's sole discretion) than, the terms stated in the Purchase Agreement between the Trustee and Mehr.

(2) Payment of Deposit and Evidence of Financial Ability to Perform

Any Overbidder shall submit to the Trustee's bankruptcy counsel: (a) a cashier's check, made payable to "Howard M. Ehrenberg, Chapter 7 Trustee," in the amount of at least \$88,650.00 (approximately 3% of the minimum total Overbid) to serve as a deposit towards the purchase of the Property (the "Deposit"); and (b) evidence that the Overbidder has the financial wherewithal to close the contemplated sale. The Deposit and evidence of financial wherewithal must be delivered so that these items are received by no later than the Overbid Deadline. In his sole and absolute discretion, the Trustee shall have the right to accept these items at any time after the Overbid Deadline.

In the event of any Overbid, the \$87,780.00 initial deposit already tendered by Mehr shall serve as Merh's Deposit.

(3) Auction, Due Diligence, Consummation of Sale and Forfeiture of Deposit

In the event the Trustee receives any Overbid, the bidders will be able to participate in an auction to be conducted at the hearing on the Motion as is necessary in order to increase their bid.

As noted above, subject to Court approval, the Trustee recommends the first overbid be in the amount of \$2,955,260.00, cash, which is \$29,260.00 (or 1%) higher than the initial sales price of \$2,926,000.00. The Trustee recommends that, thereafter, Overbids shall be made in minimal increments of \$10,000.00 (subject to adjustment as is appropriate) such that the next highest minimum overbid at any auction shall be an amount no less than \$2,965,260.00, cash. All due diligence is to be completed prior to the hearing on the Motion as the Sale is on an “as-is” “where is” basis, with no warranties, representations, recourse or contingencies of any kind whatsoever.

The Trustee will request authority to sell the Estate’s interest in the Property to the bidder who, in the Trustee’s business judgment, makes the highest and best Overbid (the “Winning Bidder”). The Trustee shall be authorized to sell the Estate’s interest in the Property to the next highest and best Overbidder in the event the Winning Bidder fails to perform (“Backup Bidder”). The Trustee reserves the right to reject any and all overbids that, in his business judgment, are insufficient.

The Winning Bidder’s Deposit shall be applied towards the total and final purchase price. The Winning Bidder must pay the full amount of the successful overbid to the Trustee within fifteen (15) days from the date of entry of the Order authorizing the Sale, or as otherwise set forth in the applicable purchase agreement.

To the extent the Winning Bidder is unable, unwilling or otherwise fails to consummate the Sale, **that bidder’s entire Deposit shall become non-refundable and forfeited to the Trustee** and, in the event of a Backup Bidder, the Trustee shall be authorized to proceed with a sale to the Backup Bidder (at the Backup Bidder’s last bid at the auction).

To the extent a bidder is not the Winning Bidder, that bidder’s Deposit will be refunded by the Trustee; except that the Trustee shall retain the Deposit of any Backup Bidder until the sale to the Winning Bidder closes.

(4) Agreement to Terms and Overbid Procedures

Any bidder's tender of a Deposit to the Trustee shall serve as that bidder's consent to, and agreement with, these proposed Overbid Procedures and the terms and conditions of the Sale as set forth in the applicable purchase agreement, and agreement not to object or seek to modify the Overbid Procedures in any manner.