

Attorney or Party Name, Address, Telephone & FAX Nos., State Bar No. & Email Address Leonard M. Shulman – Bar No. 126349 Lynda T. Bui – Bar No. 201002 Rika M. Kido – Bar No. 273780 SHULMAN HODGES & BASTIAN LLP 8105 Irvine Center Drive, Suite 600 Irvine, California 92618 Telephone: (949) 340-3400 Facsimile: (949) 340-3000 Email: lshulman@shbllp.com; lbui@shbllp.com; rkido@shbllp.com <input type="checkbox"/> Individual appearing without attorney <input checked="" type="checkbox"/> Attorney for: Helen R. Frazer, Chapter 7 Trustee	FOR COURT USE ONLY
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**UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA - RIVERSIDE DIVISION**

In re: MURRIETA MORTGAGE, INC., a Corporation, Debtor(s).	CASE NO.: 6:12-bk-23463-SC CHAPTER: 7 <p style="text-align: center;">NOTICE OF SALE OF ESTATE PROPERTY</p>
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Sale Date: 08/07/2013	Time: 11:00 am
Location: Video Hearing Room 126, U.S. Bankruptcy Court, 3420 Twelfth Street, Riverside, CA 92501	

Type of Sale: Public Private **Last date to file objections:** 07/24/2013

Description of property to be sold: Real Property located at 24285 Adams Avenue, Murrieta, CA 92562

Terms and conditions of sale: Free and clear of certain liens pursuant to Bankruptcy Code §§ 363(b)(1) and (f)
Purchase price of \$225,000, subject to overbids.

Proposed sale price: \$ 225,000.00

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): Potential overbidders must bid an initial amount of at least \$5,000 over the consideration offered by the Buyer, or \$230,000. Minimum bid increments thereafter shall be \$2,000.

See attached for more information.

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

August 7, 2013 at 11:00 A.M.

Video Hearing Room 126

U.S. Bankruptcy Court

3420 Twelfth Street

Riverside, CA 92501

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

Rika M. Kido, Esq.

SHULMAN HODGES & BASTIAN LLP

8105 Irvine Center Drive, Suite 600

Irvine, California 92618

Telephone: (949) 340-3400

Facsimile: (949) 340-3000

Email: rkido@shbllp.com

Date: 07/15/2013

1 **In re MURRIETA MORTGAGE, INC., a Corporation,**
2 **Case No. 6:12-bk-29018-MJ**

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

4 **I. INTRODUCTION**

5 Helen R. Frazer, the Chapter 7 trustee (“Trustee”) for the bankruptcy estate (“Estate”) of
6 Murrieta Mortgage, Inc. (“Debtor”), is bring a Motion for Order: (1) Approving the Sale of Real
7 Property Fee and Clear of All Liens, Claims and Encumbrances Pursuant to 11 U.S.C. § 363(f);
8 (2) Approving Payment of Real Estate Commission; (3) Approving Proposed Bidding
9 Procedures; (4) Approving Carve-Out to the Estate; (5) Approving Surcharge of Collateral
10 Pursuant to 11 U.S.C. § 506(c); and (6) Granting Related Relief (“Sale Motion”).

11 **II. SUMMARY OF THE SALE MOTION**

12 Through the Sale Motion, the Trustee requests approval for the sale of the real property
13 located at 24285 Adams Avenue, Murrieta, CA 92563 (“Property”). On February 3, 2013, the
14 Trustee received an offer to purchase the Property in the amount of \$250,000.00 from Mario C.
15 Cepeda (“Buyer”). On or about February 20, 2013, the Trustee sent the Buyer a counter-offer
16 for \$260,000.00, which would have provided the Estate with an estimated net proceeds of
17 \$37,422.79. The Buyer accepted the counter-offer. The sale of the Property was delayed to
18 allow the Trustee to inform the tenants of the Property that they would need to vacate the
19 Property and provide the Buyer time to complete his due diligence by March 25, 2013.
20 Unfortunately, the Buyer’s Appraisal revealed the Property was actually smaller in square
21 footage than shown in public records, and therefore, valued the Property at \$210,000.00.
22 Consequently, the Buyer reduced his offer to \$210,000.00. After further discussions between the
23 Trustee’s broker and the Buyer’s broker, the Buyer has indicated that his final and best offer for
24 the Property is \$225,000.00, which is not a sufficient to provide net proceeds for the Estate.

25 In order to preserve the sale with the Buyer, the secured lender (“Secured Lender”)¹ has
26 consented to the sale of the Property and receiving a short pay. The Secured Lender has agreed

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28 ¹ Heller, Crouse & Company, Inc. represents the group of private party beneficiaries comprising the Secured Lender – i.e., holder of the first trust deed against the Property. The beneficiaries under the lien are identified on the Preliminary Title Report annexed as Exhibit 1 to the Frazer Decl. annexed to the Sale Motion.

1 to accept, at minimum, \$160,000.00, in full satisfaction of its lien. After payment of (1)
2 \$160,000.00 to the Secured Lender in full satisfaction of its lien, (2) secured real property taxes
3 and secured personal property taxes, (3) brokerage commissions, (4) sale closing costs, and (5)
4 other escrow closing costs², the balance of the net sale proceeds will be paid to the Trustee on
5 behalf of the Estate (“Carve-Out”). At the current sale price, Carve-Out is estimated to be
6 approximately \$16,000.00. However, the Trustee’s brokers have continued to actively market
7 the *now vacant* Property in the hopes that other interested buyers will overbid and participate in
8 the auction. At this time, there are at least three (3) interested buyers (who will all be served a
9 copy of this Motion). Accordingly, the Trustee and Secured Lender have agreed that, in the
10 event there is a successful overbid for a sale price over \$225,000.00, the Secured Lender will
11 receive the first Four Thousand Dollars (\$4,000.00) in excess proceeds and the Secured Lender
12 and the Trustee will split equally any excess proceeds beyond the Four Thousand Dollars
13 (\$4,000.00).

14 Based on the Buyer’s Appraisal, it is believed that the proposed sale price is for fair
15 market value. Further, in the event the purchase price is increased by a successful overbid, the
16 net proceeds will increase and provide greater distribution to creditors. The Estate has invested
17 time and money marketing and selling the Property based on the belief that the Property had
18 sufficient equity for the benefit of unsecured creditors. The agreement the Estate has worked out
19 with the Secured Lender has allowed the preservation and completion of the sale of the Property
20 and will provide the Estate with significant net proceeds for distribution to creditors. Therefore,
21 the Trustee believes that good cause exists to grant the Sale Motion so the Trustee does not lose
22 this favorable business opportunity.

23 III. RELEVANT FACTS

24 A. Case Commencement

25 On May 31, 2012, the Debtor filed a voluntary petition under Chapter 7 of the Bankruptcy
26 Code. Helen R. Frazer is the duly appointed, qualified and acting Chapter 7 trustee for the
27 Debtor’s Estate.

28 _____
² Including but not limited to escrow charges, title charges, documentary transfer taxes.

1 **B. The Property**

2 An asset of the Estate is the Debtor's interest in the Property. The Property is legally
3 described as stated in the Preliminary Title Report dated February 25, 2013, a true and correct
4 copy of which is attached as Exhibit 1 to Declaration of Helen R. Frazer annexed to the Sale
5 Motion ("Frazer Decl.").

6 The Debtor's Schedule A valued the Property at \$175,000.00 and listed one lien in the
7 amount of \$100,000.00. The Debtor's Schedule D did not clearly indicate any lien impacting the
8 Property. However, the Secured Lender has advised the Trustee that including the principal loan
9 balance, interest, late fees and attorneys' fees, the amount owing on its lien exceeds
10 \$194,000.00³.

11 From the review of the Preliminary Title Report, it appears that the Debtor has not paid
12 real property taxes on the Property for several years and the unpaid secured real property taxes
13 total at least \$21,345.37.

14 The Preliminary Title Report also indicates that the Property has liens for unpaid personal
15 property taxes totaling \$7,901.68.

16 **C. Employment of Real Estate Broker, Marketing Efforts and Basis for the Value of**
17 **the Property**

18 On August 16, 2012, the Trustee filed an application to employ William Friedman of
19 Coldwell Bank and Craig Way of Seaway Properties, Inc. as her co-real estate brokers
20 ("Brokers") ("Employment Application") (docket number 42) to assist her with effectively
21 listing and marketing the Property for sale, as well as negotiating a sale price to prospective
22 buyers to provide a benefit to the Estate. The listing agreement called for a real estate
23 commission to be paid of six percent (6%) of the sale price. The Employment Application was
24 approved by Court order entered on June 13, 2013 (docket number 129).

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27 ³ The Secured Lender has advised that principal on the loan is \$150,000.00, interest was paid through October 13,
28 2011, and the loan matured on August 13, 2012. The default rate is in use (retroactively to the last made payment date). Therefore, interest is due through March 13, 2013 is approximately \$38,250 and accrues at \$73.97 per day until paid.

1 The Brokers have more than ten (10) years of experience in the sale of real property as
2 well as property valuations and are familiar with valuing real property in today's economic
3 environment. The Brokers listed the Property on the MLS for \$199,000.00.

4 On February 3, 2013, the Trustee received an offer to purchase the Property in the
5 amount of \$250,000.00 from Mario C. Cepeda ("Buyer"). On or about February 20, 2013, the
6 Trustee sent the Buyer a counter-offer for \$260,000.00, which would have provided the Estate
7 with an estimated net proceeds of \$37,422.79. The Buyer accepted the counter-offer.

8 The sale of the Property was delayed to allow the Trustee time to inform the tenants of
9 the Property that they would need to vacate the Property and provide the Buyer time to complete
10 his due diligence by March 25, 2013. Unfortunately, the Buyer's Appraisal revealed the
11 Property was actually smaller in square footage than shown in public records and therefore
12 valued the Property at \$210,000.00. Specifically, the tax assessor's office indicated the Property
13 was 2,640 square feet but the Buyer's appraiser measured the Property at 1,952 square feet.
14 Attached as Exhibit 2 to the Declaration of Craig Way annexed to the Sale Motion is a true and
15 correct copy of the Appraisal received from the Buyer.

16 Consequently, the Buyer reduced his offer to \$210,000.00. After further discussions
17 between the Trustee's broker and the Buyer's broker to, the Buyer has indicated that his final and
18 best offer for the Property is \$225,000.00, which is not sufficient to provide net proceeds for the
19 Estate.

20 **D. Liens and Encumbrances Against the Property and Their Proposed Treatment**
21 **Through the Sale**

22 From the Debtor's Schedules and the Preliminary Title Report the Trustee believes that
23 the total liens against the Property exceed \$215,000.00. The following chart sets forth and
24 accounts for all of the recorded liens and encumbrances against the Property described in the
25 Preliminary Title Report and their proposed treatment through the sale:
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<u>Creditor</u> ⁴	<u>Description</u>	<u>Estimated Amount Owed</u>	<u>Proposed Payout Amount</u>	<u>Treatment of Lien Through the Sale</u>
Riverside County Treasurer and Tax Collector	Real property taxes	\$21,345.37	\$21,345.37	All outstanding real property taxes will be paid in full through escrow on the sale transaction.
Riverside County Treasurer and Tax Collector	Unpaid secured personal property taxes impacting the Property	\$7,901.68	\$7,901.68	All outstanding secured personal property taxes impacting the Property will be paid in full through escrow on the sale transaction.
Secured Lender	First priority deed of trust, recorded August 13, 2008, recording number 2008-0446900	\$194,000	\$160,000	This lien will be paid through escrow on the sale of the Property in the amount approved by the Secured Lender. Thus, this lien will be released, discharged and terminated at the close of escrow and the Property will be sold free and clear of this lien and the lien will not attach to the sale proceeds.

E. Summary of the Purchase Offer and Summary of the Sale Terms

The Trustee has received an offer from the Buyer to purchase the Property for \$225,000.00. Through the sale, the Secured Lender has agreed to accept, at minimum, \$160,000.00 in full satisfaction of its lien. After payment of (1) \$160,000.00 to the Secured Lender in full satisfaction of its lien, (2) secured real property taxes and secured personal property taxes, (3) brokerage commissions, (4) sale closing costs, and (5) other escrow closing costs⁵, the balance of the net sale proceeds will be paid to the Trustee on behalf of the Estate. The net proceeds are estimated to be approximately \$16,000.00 as follows:⁶

Sale Price	\$225,000.00
Less Payment of Real Property Taxes	(\$21,345.37)
Less Payment of Secured Personal Property Taxes	(\$7,901.68)

⁴ Heller, Crouse & Company, Inc. represents the group of private party beneficiaries comprising the Secured Lender – i.e., holder of the first trust deed against the Property. The beneficiaries under the lien are identified on the Preliminary Title Report annexed as Exhibit 1 to the Frazer Decl.

⁵ Including but not limited to escrow charges, title charges, documentary transfer taxes.

⁶ Although the holder of any junior liens may still have general unsecured claims against the Estate for the amounts that are not paid.

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Less Payment to Secured Lender	(\$160,000.00)
Less Payment of Costs of Sale, Including Real estate Commissions	(\$19,125.00)
Estimated Net Sale Proceeds	\$16,627.95

At the current sale price, the net proceeds are estimated to be approximately \$16,000.00. However, the Trustee’s brokers have continued to actively market the now empty Property in the hopes that other interested buyers will overbid and participate in the auction. At this time, there are at least three (3) interested buyers (which will be served a copy of this Motion). Accordingly, the Trustee and Secured Lender have agreed that, in the event there is a successful overbid, the Secured Lender will receive the first Four Thousand Dollars (\$4,000.00) in excess proceeds and the Secured Lender and the Trustee will split equally any excess proceeds beyond the Four Thousand Dollars (\$4,000.00). For example, if the Buyer’s purchase price resulted in net sale proceeds of \$16,000.00 but the actual final closing overbid purchase price resulted in net sale proceeds of \$25,000.00 (after a payment to the Secured Lender of \$160,000.00), the Trustee would receive the first \$16,000.00, the Secured Lender would receive an additional \$4,000.00, and the Trustee and Secured Lender would split equally the \$5,000 in additional proceeds resulting from the overbid.

Attached as Exhibit 3 to the Frazer Decl. annexed to the Sale Motion is a true and correct copy of the Residential Purchase Agreement and Joint Escrow Instructions and Counter Offers and related addendum (collectively, the “Agreement”) for which the Trustee is seeking Court approval. Attached as Exhibit 4 to the Frazer Decl. annexed to the Sale Motion is a true and correct copy of the Estimated Seller’s Proceed Statement for the transaction.

A summary⁷ of the terms and highlights of the Agreement between the Trustee and the Buyer are discussed below:

Buyer:	Mario R. Cepeda 11261 Perris Blvd Moreno Valley, CA 92557
Purchase Price:	\$225,000, or an amount as increased by overbid.

⁷ The summary and discussion are not meant to be a complete review of every provision of the Agreement.

Escrow Holder and Escrow Closing Date:	The escrow holder shall be A&A Escrow Services, Inc., 415 N. Crescent Drive, Suite 320, Beverly Hills, CA 90210
Costs of Sale and Payments Through Escrow (including Real Estate Agent Commission)	<ul style="list-style-type: none"> • Outstanding real property taxes and outstanding secured personal property shall be paid.⁸ • \$160,000 to the Secured Lender in full satisfaction of its first priority lien. • 6% broker’s commission, or \$13,500, to be split between the Trustee’s Brokers and the Buyer’s real estate broker as follows: Trustee’s Broker William Friedman of Coldwell Bank in the amount of \$3,375, and Craig Way of Seaway Properties, Inc., in the amount of \$3,375 and Buyer’s real estate broker, Gary Zendejas of Realty World Premier in the amount of \$6,750. • Payment of all closing costs and other monetary obligations the Agreement requires the Trustee on behalf of the Estate as the seller of the Property to pay at the close of escrow (including but not limited to escrow charges, title charges, documentary transfer taxes) without requiring the Estate to place any funds into escrow or have any continuing obligation to the Secured Lender. • Payment of the balance of the net sale proceeds to the Trustee on behalf of the Estate. • In the event that there are overbids, the excess net sale proceeds will be split equally between the Secured Lender and the Estate.
Bankruptcy Court Approval	The sale is expressly conditioned on approval of the United States Bankruptcy Court for the Central District of California and entry of final order approving this Sale Motion.
Terms of Sale - Purchase Without Warranties	Buyer acknowledges that Buyer is purchasing the Property from the Seller “AS IS” without warranties of any kind, expressed or implied, being given by the Seller, concerning the condition of the property or the quality of the title thereto, or any other matters relating to the Property. Buyer represents and warrants that Buyer is purchasing the Property as a result of his own investigations and is not buying the Property pursuant to any representation made by any broker, agent, accountant, attorney or employee acting at the direction, or on the behalf of the Seller, except as expressly set forth in the Agreement. Buyer acknowledges that Buyer has inspected the Property, and upon closing of Escrow governed by this Agreement, Buyer forever waives, for himself, his heirs, successors and assigns, all claims against the Debtor, its attorneys, agents and employees, the Estate, Helen R. Frazer as Trustee and individually, and her attorneys, Shulman Hodges & Bastian LLP, agents and employees, arising or which might otherwise arise in the future concerning the Property
Terms of Sale - Free and Clear of Liens and Encumbrances	<p>The sale of the Property shall be free and clear of all liens, claims, interests and encumbrances pursuant to Bankruptcy Code Section 363(f). The Property shall be delivered to the Buyer free and clear of all liens and encumbrances.</p> <p>Out of an abundance of caution, any liens and interests against the Property that are not paid/resolved through escrow shall attach to the residual sale proceeds, <u>if any</u>, (but excluding the Estate’s carve-out amount of the net sale proceeds) that may be generated through the sale with the same force, effect, validity, and priority as such liens or interests had with respect to the Property prior to the sale</p>
Terms of Sale - Good Faith Finding	The proposed sale has been brought in good faith and has been negotiated on an “arms length” basis. The negotiations with the Buyer have resulted in an offer to sell the Estate’s interest in the Property that will have substantial benefit. Accordingly, the sale is in good faith and should be approved. The Trustee shall request such a finding pursuant to Bankruptcy Code Section 363(m) at the hearing on this Sale Motion.

⁸ All real property taxes and assessments for the current tax year shown in the current county tax bill shall be prorated between Seller and Buyer and charged as of the closing date to the applicable accounts of Seller and Buyer.

1 Terms of Sale - Waiver of Rule 6004(h)	The Trustee requests that the Court waive the fourteen-day stay of the order approving the sale of the Property under Federal Rules of Bankruptcy Procedure 6004(h) such that the sale of the Property can close as soon as possible after entry of the Court order approving the Sale Motion and the Agreement.
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3 **F. Notice of Bidding Procedures**

4 The Buyer's offer presented in this Sale Motion is the best material offer the Trustee has
5 received. The Trustee submits the Property has been extensively marketed and at this time there
6 are no viable alternative buyers for the Property other than the Buyer proposed by the Trustee.
7 Nevertheless, the Trustee believes it would benefit the Estate and the Secured Lender to permit
8 all interested parties to receive information and bid for the Property instead of selling the
9 Property to the Buyer on an exclusive basis. Accordingly, in order to obtain the highest and best
10 offer for the benefit of the creditors of this Estate, the Trustee also seeks Court approval of the
11 following bidding procedures ("Bidding Procedures"):

12 • Potential overbidders must bid an initial amount of at least \$5,000 over the
13 consideration offered by the Buyer, or total consideration of **\$230,000**. Minimum bid increments
14 thereafter shall be \$2,000. The Trustee shall have sole discretion in determining which overbid
is the best for the Estate and will seek approval from the Court of the same.

15 • Overbids must be in writing and be received by the Trustee to the attention of
Helen R. Frazier and her counsel, Shulman Hodges & Bastian LLP to the attention of Rika M.
16 Kido on or before **4:00 p.m. (California time) on the date which is three (3) business days
prior to the hearing on the Sale Motion.**

17 • Overbids must be accompanied by certified funds in an amount equal to three
percent of the overbid purchase price.

18 • The overbidder must also provide evidence of having sufficient specifically
19 committed funds to complete the transaction or a lending commitment for the bid amount and
20 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.

21 • The overbidder must seek to acquire the Property on terms and conditions not less
22 favorable to the Estate than the terms and conditions to which the Buyer has agreed to purchase
the Property as set forth in the Agreement attached as Exhibit 3 to the Frazer Decl. annexed to
23 the Sale Motion including closing on the sale of the Property in the same time parameters as the
Buyer.

24 • All competing bids must acknowledge that the Property is being sold on an "AS
25 IS" basis without warranties of any kind, expressed or implied, being given by the Seller,
concerning the condition of the Property or the quality of the title thereto, or any other matters
26 relating to the Property. The competing bid buyer must represent and warrant that he/she is
purchasing the Property as a result of their own investigations and are not buying the Property
27 pursuant to any representation made by any broker, agent, accountant, attorney or employee
acting at the direction, or on the behalf of the Seller. The competing bidder must acknowledge
28 that he/she has inspected the Property, and upon closing of Escrow governed by the Agreement,
the Buyer forever waives, for himself/herself, their heirs, successors and assigns, all claims
against the Debtor, its attorneys, agents and employees, the Estate, Helen R. Frazer as Trustee

1 and individually, and her attorneys Shulman Hodges & Bastian LLP, agents and employees,
arising or which might otherwise arise in the future concerning the Property.

2 • If overbids are received, the final bidding round for the Property shall be held at
the hearing on the Sale Motion in order to allow all potential bidders the opportunity to overbid
3 and purchase the Property. At the final bidding round, the Trustee or her counsel will, in the
exercise of their business judgment and subject to Court approval, accept the bidder who has
4 made the highest and best offer to purchase the Property, consistent with the Bidding Procedures
("Successful Bidder").

5 • At the hearing on the Sale Motion, the Trustee will seek entry of an order, *inter*
alia, authorizing and approving the sale of the Property to the Successful Bidder. The hearing on
6 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.

7 • In the event the Successful Bidder fails to close on the sale of the Property within
8 the time parameters approved by the Court, the Trustee shall retain the Successful Bidder's
Deposit and will be released from her obligation to sell the Property to the Successful Bidder and
9 the Trustee 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").

10 • 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 Trustee shall retain the First Back-Up Bidder's
11 Deposit and will be released from her obligation to sell the Property to the First Back-Up Bidder
and the Trustee may then sell the Property to the second back-up bidder approved by the Court at
12 the hearing on the Sale Motion ("Second Back-Up Bidder").

13 **G. Tax Consequences**

14 The Debtor is a corporation. The Trustee has consulted with her accountant, who has
15 advised her that since she is selling the Property on behalf of the corporate Debtor, the Estate
16 is exempt from withholding taxes on the transaction. Additionally, the sale will be for less than
17 the Debtor's original purchase price and improvement costs attributed to the Property.
18 Therefore, it is anticipated that there will be no tax liability generated from the sale.

PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is: **8105 Irvine Center Drive, Suite 600, Irvine, California 92618**

A true and correct copy of the foregoing document entitled (*specify*): **NOTICE OF SALE OF ESTATE PROPERTY** will be served or was served **(a)** on the judge in chambers in the form and manner required by LBR 5005-2(d); and **(b)** in the manner stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On (*date*) **July 16, 2013**, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

- **John A Boyd** fednotice@tclaw.net *NEF for Interested Party*
- **Toan B Chung** tbchung@rpmlaw.com, toan.b.chung@gmail.com; jphan@rpmlaw.com *Special Counsel for the Chapter 7 Trustee*
- **Marc Cohen** Marc@marcCohenLaw.com, Atplay2@gmail.com *NEF for Interested Party*
- **Marc A Duxbury** info@countyLawcenter.com *Attorney for the Debtor*
- **Carol J Fogleman** mfrost@bwslaw.com *NEF for Interested Party*
- **Helen R. Frazer (TR)** hfrazier@aalrr.com, mbuenaventura@aalrr.com; hfrazier@ecf.epiqsystems.com, C112@ecfbis.com *Chapter 7 Trustee*
- **Rika Kido** rkido@shbllp.com, avernon@shbllp.com *Attorney for the Chapter 7 Trustee*
- **Robert M Kovalsky** kovalsky@sbcglobal.net, rob@kovalskylegal.com *NEF for Interested Party*
- **Leonard M Shulman** lshulman@shbllp.com *Attorney for the Chapter 7 Trustee*
- **Robert M Thompson** robert@hemetlegal.com *NEF for Interested Party*
- **United States Trustee (RS)** ustpregion16.rs.ecf@usdoj.gov *Office of United States Trustee*

Service information continued on attached page

2. SERVED BY UNITED STATES MAIL:

On (*date*) **July 16, 2013**, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

Service information continued on attached page

3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL (*state method for each person or entity served*): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on (*date*) **July 16, 2013**, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

Judge's Copy – Via Messenger

Hon Scott C. Clarkson, US Bankruptcy Court, 411 W Fourth St, bin beside 5th Fl Elevators, Santa Ana, CA 92701

Service information continued on attached page

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

July 16, 2013

Date

Lorre Clapp

Printed Name

/s/ Lorre Clapp

Signature

U.S. MAIL SERVICE LIST

Buyer

Mario R. Cepeda
11261 Perris Blvd
Moreno Valley, CA 92557

Buyer's Broker

Gary Zendejas
Realty World Premier
1652 Plum Ln #102
Redlands, CA 92374

Trustee's Brokers

Craig W. Way
Seaway Properties Real Estate Inc.
28545 Old Town Front Street, Suite 203
Temecula, CA 92590

William Friedman
Coldwell Banker
8840 S Sepulvada Blvd
Los Angeles, CA 90045

Secured Party

Riverside County Treasurer and Tax Collector
P.O. Box 12005
Riverside, CA 92502-2205

Secured Party

Richard H. Gillette, President
Heller, Crouse & Company, Inc.
Post Office Box 1189
Carlsbad, CA 92018

Potential Bidder

Lawrence Lammott
Canear, Inc.
43020 Blackdear Loop #202
Temecula, CA 92590

Potential Bidder

Mark & Debra Cappen
24438 Ridgewood
Murrieta, CA 92562

Potential Bidder

Dave & Janet Hakman
c/o Golden Eagle Properties
Attn: Denise McFarland
29800 Bradley Rd., #115
Menifee, CA 94506

Potential Bidder

Bradley & Amy Gilpin
c/o Miguel's World
38975 Sky Canyon Drive, Suite 109
Murrieta, CA 92563

U.S. MAIL SERVICE LIST CONTINUED

DEBTOR

MURRIETA MORTGAGE, INC.
41763 IVY STREET
MURRIETA, CA 92562

INTERESTED PARTY

UNITED STATES TRUSTEE (RS)
3801 UNIVERSITY AVENUE, SUITE 720
RIVERSIDE, CA 92501

REQUEST FOR NOTICE

ROBERT THOMPSON
LAW OFFICES OF TRENT
THOMPSON AND ASSOC.
152 SOUTH HARVARD ST.
HEMET, CA 92543

CREDITOR LISTING

AL PLEVNEY
26951 CORTE MANZANO
TEMECULA, CA 92593

CREDITOR LISTING

ALBERT RANKIN TRUSTEE
C/O 15910 VENTURA BLVD #1610
ENCINO, CA 91436

CREDITOR LISTING

ALEX BOREL
7760 BOREL RD
MURRIETA, CA 92563

PROOF OF CLAIM ADDRESS

ALEX BOREL
C/O JOHN A. BOYD, ESQ.
THOMPSON & COLEGATE LLP
P.O. BOX 1299
RIVERSIDE, CA 92502

CREDITOR LISTING

BALFOUR & GILLETTE
PO BOX 1189
CARLSBAD, CA 92018

CREDITOR LISTING

BALFOUR
PO BOX 1189
CARLSBAD CA 92018

CREDITOR LISTING

BALFOUR BECWITH & MONIER
PO BOX 1189
CARLSBAD CA 92018-1189

CREDITOR LISTING

BUD HALES
PO BOX 893 849
TEMECULA, CA 92589

CREDITOR LISTING

BYRON AND LUANN BUTLER
246735TH AVE
MURRIETA, CA 92562

CREDITOR LISTING

CAPITAL ONE
PO BOX 70886
CHARLOTTE, NC 28272

PROOF OF CLAIM ADDRESS

CAPITAL ONE BANK (USA) BY AMERICAN
INFOSOURCE LP AS AGENT
PO BOX 71083
CHARLOTTE, NC 28272-1083

CREDITOR LISTING

CARMEN STEINHOFF
37750 JAMES DRIVE
TEMECULA, CA 92593

CREDITOR LISTING

CAROL D. VAN GINKEL
5 AVENIDA BRIO
SAN CLEMENTE, CA 92673

CREDITOR LISTING

CAROL RAIL
7129 NE 29TH ST
ANKENY, IA 50021

CREDITOR LISTING

CAROLYN COOK
1251 YELL RD.
LEWISBURG, TN 37091

CREDITOR LISTING

CELINE BOISVERT
N 5266 COUNTY RD. G
WINTER, WI 54896

PROOF OF CLAIM ADDRESS

CITY OF WILDOMAR
MATTHEW C. BASSI, PLANNING DIRECTOR
23873 CLINTON KEITH ROAD, SUITE 201
WILDOMAR, CA 92595

CREDITOR LISTING

CLARENCE & CAROL RAIL
7129 NE 29TH ST.
ANKENY, IA 50021

CREDITOR LISTING

CLINTON POLLARD
39202 SUGARCANE DR
MURRIETA, CA 92562

CREDITOR LISTING

COMPASS BANK
PO BOX 10566
BIRMINGHAM, AL 35296

CREDITOR LISTING

CYNTHIA POLLARD
39209 SUGARCANE DR.
MURRIETA, CA 92563

CREDITOR LISTING

DALE AND CHRISTINE BOWMAN
4008 LA MESA ROAD
BULLHEAD CITY, AZ 86429

CREDITOR LISTING

DALE BOWMAN
4008 LA MESA ROAD
BULLHEAD CITY, AZ 86429-7754

CREDITOR LISTING

DAVID B. SINGER
213 E. CHARLOTTE AVE.
ANAHEIM, CA 92805-5948

CREDITOR LISTING

DAVID P. ANDERSON
332 LAUREL AVE.
GUSTINE, CA 95322

CREDITOR LISTING

DAVID POLLARD
41451 LOS ALAMOS RD.
MURRIETA, CA 92562

CREDITOR LISTING

DEBORAH LEEPER
42250 PATTON PL
MURRIETA, CA 92562

CREDITOR LISTING

DEBRA A. ROSE
15037 VICTORY BLVD. #203
VAN NUYS, CA 91411

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DELORIS POLLARD
5006 CORINTHIA WAY
OCEANSIDE, CA 92056

CREDITOR LISTING

DONALD C. BALFOUR
PO BOX 1189
CARLSBAD, CA 92018

CREDITOR LISTING

DONALD D. TIEDEN
42623 MEADOWLARK RIDGE
MURRIETA, CA 92562

CREDITOR LISTING

DONALD P. SOMMER
27070 THEDA ST.
PERRIS, CA 92570

CREDITOR LISTING

DR. J. FALLON (WOODY, LLC)
4633 INGRAHAM ST., STE A
SAN DIEGO, CA 92109

CREDITOR LISTING

DRY DOWN
PO BOX 673
EL SEGUNDO, CA 90245

CREDITOR LISTING

ENTRUST ADMIN, INC
555 12TH ST., SUITE 1250
OAKLAND, CA 94607

PROOF OF CLAIM ADDRESS

ESTATE OF ROBIN A. REIDY
JOHN P. REIDY
41763 IVY STREET
MURRIETA, CA 92562

CREDITOR LISTING

EVERGREEN VENTURES, INC.
5006 CORINTHIA WAY
OCEANSIDE, CA 92056

CREDITOR LISTING

FBO: DARRELL ROBINSON
555 12TH ST., SUITE 1250
OAKLAND, CA 94607

PROOF OF CLAIM ADDRESS

FIRST AMERICAN DATA TREE
CREDITORS ADJUSTMENT BUREAU INC.,
ASSIGNEE
P.O. BOX 5932
SHERMAN OAKS, CA 91413

CREDITOR LISTING

FIRST CITIZENS BANK
PO BOX 27131
RALEIGH, NC 27611

PROOF OF CLAIM ADDRESS

FLOW RITE TESTING
PO BOX 890097
TEMECULA, CA 92589-0097

CREDITOR LISTING

GEORGE B. WALKER
2452 STERNDECK RD
BRADLEY, CA 93426

PROOF OF CLAIM ADDRESS

GEORGE B. WALKER
C/O PAULA M. HARRELSON
2122 N. BROADWAY, SUITE 200
SANTA ANA, CA 92706

CREDITOR LISTING

HELLER CROUSE & COMPANY
PO BOX 1189
CARLSBAD, CA 92018

CREDITOR LISTING

HERBERT GROUCH
29050 CALLE DEL BUHO
MURRIETA, CA 92562

CREDITOR LISTING

IRS TAXES
DEPARTMENT OF THE TREASURY
FRESNO, CA 93888

CREDITOR LISTING

JAW LAND & TRADING, LLC
PO BOX 1189
CARLSBAD, CA 92018

PROOF OF CLAIM ADDRESS

JAW LAND & TRADING, LLC
C/O FRANKLIN ADAMS, ESQ./CATHY TA,
ESQ.
3390 UNIVERSITY AVENUE, 5TH FLOOR
RIVERSIDE, CA 92501

CREDITOR LISTING

JAMES & DELORIS POLLARD TRUST
5006 CORINTHIA WAY
OCEANSIDE, CA 92056-5152

PROOF OF CLAIM ADDRESS

JAMES & DELORIS POLLARD FAMILY
LIMITED PARTNERSHIP
5006 CORINTHIA WAY
OCEANSIDE, CA 92056-5152

CREDITOR LISTING

JAMES POLLARD
5006 CORINTHIA WAY
OCEANSIDE, CA 92056-5152

CREDITOR LISTING

JASON ARROYO
29287 WOODFALL DRIVE
MURRIETA, CA 92563

PROOF OF CLAIM ADDRESS

JASON ARROYO
C/O C. SCOTT RUDIBAUGH
BLOOM & RUDIBAUGH APC
901 S. STATE STREET, SUITE 100
HEMET, CA 92543

CREDITOR LISTING

JOANN ARROYO
29287 WOOD FALL DR.
MURRIETA, CA 92562

PROOF OF CLAIM ADDRESS

MICHELLE CURTIS AS EXECUTOR OF
THE ESTATE OF JOAN ARROYO
C/O DARROW LAW CENTER APC
27349 JEFFERSON AVENUE, SUITE 208
TEMECULA, CA 92590

CREDITOR LISTING

JOHN H. POLLARD
8558 JACOB DR
RIVERSIDE, CA 92508-2944

CREDITOR LISTING

JOVONNA JONES
42470 ALEXANDAR DRIVE
HEMET, CA 92544

CREDITOR LISTING

KATHLEEN HUTHER
7129 NE 29TH ST
ANKENY, IA 50021

CREDITOR LISTING

KOVALSKY & BALOUR
PO BOX 1189
CARLSBAD CA 92018

CREDITOR LISTING

LF GROVE MANAGEMENT
43064 BLACKDEER LOOP, SUITE B
TEMECULA, CA 92591

CREDITOR LISTING

LAW OFFICE OF RHEUBAN & GRESEN ET
AL
15910 VENTURA BLVD #1610
ENCINO, CA 91436

CREDITOR LISTING

LAW OFFICE BECK & GREER, ET AL
31580 RAILROAD CANYON RD
SUN CITY, CA 92587

CREDITOR LISTING

LOUIE DIBELLA
718 RAINBOW CT.
FALLBROOK, CA 92028

CREDITOR LISTING

LUANN BULTER
24673 5TH AVE
MURRIETA, CA 92562

CREDITOR LISTING

MDMG, INC.
41635 ENTERPRISE CIRCLE NO.
SUITE B
TEMECULA, CA 92590

CREDITOR LISTING

MARK AUTREY
21580 HERBERT ST.
PERRIS, CA 92570

CREDITOR LISTING

MELVIN HALES C/O NORMA J HALES
PO BOX 893849
TEMECULA, CA 92589

PROOF OF CLAIM ADDRESS

NORMA J. HALES AS SUCCESSOR IN
INTEREST TO MELVIN R. HALES
C/O WILLIAM D. CAREY, ESQ./J. DOUGLASS
JENNINGS, JR., APC
3655 NOBEL DRIVE, SUITE 200
SAN DIEGO, CA 92122

CREDITOR LISTING

MICHAEL SALRIN
7682 N. JOHNSON LAKE RD
HAYWARD, WI 54843

PROOF OF CLAIM ADDRESS

MICHELE SALRIN
P.O. BOX 3112
WEST LAFAYETTE, IN 47996

CREDITOR LISTING

POLLY JANE FILANC
PO BOX 107
MURRIETA, CA 92564

CREDITOR LISTING

RABOBANK
40723 MURRIETA HOT SPRINGS RD.
MURRIETA, CA 92562

CREDITOR LISTING

RALPH MASON
26295 MASON AVE
MURRIETA, CA 92562

CREDITOR LISTING

RANCHO CALIFORNIA WATER DIST
PO BOX 9017
TEMECULA, CA 92589

CREDITOR LISTING

RAPHAEL GENECE
3710 CLAREMONT ST.
HEMET, CA 92545

CREDITOR LISTING

ROBERT BENECKE
23952 EIDER CT.
LAGUNA NIGUEL, CA 92677

CREDITOR LISTING

ROBERT MATHIS
42120 PATTON PL
MURRIETA, CA 92562

PROOF OF CLAIM ADDRESS

ROBERT M. KOVALSKY AND SHARON L.
WEINTRAUB
TRUSTEES OF THE KOVALSKY/WEINTRAUB
FAMILY TRUST
4405 MANCHESTER AVENUE, SUITE 203
ENCINITAS, CA 92024

CREDITOR LISTING

ROLAND BUROKER
25225 JEFFERSON AVE
MURRIETA, CA 92562

CREDITOR LISTING

RONALD BUROKER
25225 JEFFERSON AVE
MURRIETA, CA 92562

PROOF OF CLAIM ADDRESS

RONALD HENDRICKSON
152 SOUTH HARVARD ST.
HEMET, CA 92543

CREDITOR LISTING

ROSE MARY ALLAWAY
31580 RAILROAD CANYON RD
SUN CITY, CA 92587

CREDITOR LISTING

ROSE MARY ALLAWAY
634 N. HANFORD AVE
SAN PEDRO, CA 90732

PROOF OF CLAIM ADDRESS

ROSE MARY ALLAWAY
C/O MICHAEL K. WOLDER
WOLDER & ASSOCIATES, APC
2020 MAIN STREET, SUITE 900
IRVINE, CA 92614

CREDITOR LISTING

ROXANNE PETTIGREW KING
246102 2ND AVE
MURRIETA, CA 92562

CREDITOR LISTING

SAMS CLUB
PO BOX 530942
ATLANTA, GA 30353

CREDITOR LISTING

SHARI BROWN
32920 CELESTEST.
WILDOMAR, CA 92595

CREDITOR LISTING

SHIRLEY ALLEN
32902 HADDOCK ST
WINCHESTER, CA 92596

CREDITOR LISTING

STEVEN RUBEN TRUSTEE
C/O 15910 VENTURA BLVD #1610
ENCINO, CA 91436

CREDITOR LISTING

SUSAN WILLIFORD
PO BOX 83
DUCHESNE, UT 84021

PROOF OF CLAIM ADDRESS

SUSAN WILLIFORD
3259 NASHUA ROAD
ST. GEORGE, UT 84790

CREDITOR LISTING

TEMECULA VALLEY BACKFLOW
PO BOX 890068
TEMECULA, CA 92589

CREDITOR LISTING

THOMAS AND CAROL VANGINKELT
5 AVENIDA BRIE
SAN CLEMENTE, CA 92673-6844

CREDITOR LISTING

THOMAS & BETSY WESTON
C/O 15910 VENTURA BLVD #1610
ENCINO, CA 91436

CREDITOR LISTING

TONY ESPINOZA
41900 IVY ST. #6
MURRIETA, CA 92562

CREDITOR LISTING

TONY/ANTONIO & CUCA/REFUGIO
ESPINOZA
41900 IVY ST. #6
MURRIETA, CA 92562-9273

CREDITOR LISTING

WELTMAN, WEINBERG & REIS CO.
175 SOUTH 3RD ST. SUITE 900
COLUMBUS, OH 43215

CREDITOR LISTING

WELTMAN, WEINBERG & REIS ET AL
PO BOX 93596
CLEVELAND, OH 44101

CREDITOR LISTING

WOODY LLC
4633 INGRAHAM ST., STE A
SAN DIEGO, CA 92109

NOTICE PURPOSES - FEDERAL RULE

5003(E) ADDRESS

INTERNAL REVENUE SERVICE
PO BOX 7346
PHILADELPHIA, PA 19101-7346

NOTICE PURPOSES - FEDERAL RULE

5003(E) ADDRESS

CALIFORNIA FRANCHISE TAX BOARD
BANKRUPTCY SECTION, MS: A-340
PO BOX 2952
SACRAMENTO, CA 95812-2952

RETURNED MAIL

NO ADDRESS

DONALD D. TIEDEN

NO ADDRESS

INTERSTATE

NO ADDRESS

JOHN CONDITT

NO ADDRESS

ROBERT KOVALSKY

NO ADDRESS

ROYALTY MORTGAGE CO.

DUPLICATE

WOODY LLC
4633 INGRAHAM ST. STE A
SAN DIEGO, CA 92169

DUPLICATE

JOANN ARROYO
29287 WOOD FALL DR
MURRIETA, CA 92562

CHANGE OF ADDRESS 7/18/12

CREDITOR LISTING

DELORIS POLLARD
35526 SUMMERLAND AVE.
PALM DESERT, CA 92211

CHANGE OF ADDRESS 7/18/12

CREDITOR LISTING

EVERGREEN VENTURES, INC.
35526 SUMMER LAND AVE.
PALM DESERT, CA 92211

CHANGE OF ADDRESS 7/18/12

CREDITOR LISTING

JAMES POLLARD
35526 SUMMER LAND AVE.
PALM DESERT, CA 92211

RETURNED 7/23/12; INSUFFICIENT

ADDRESSED; UNABLE TO FORWARD

CREDITOR LISTING

JAMES POLLARD
35526 SUMMER LAND AVE.
RALEIGH, NC 27611

CHANGE OF ADDRESS 7/18/12

CREDITOR LISTING

JAMES & DELORIS POLLARD TRUST
35526 SUMMER LAND AVE.
PALM DESERT, CA 92211

**RETURNED 7/20/12; NO MAIL
RECEPTACLE; UNABLE TO FORWARD
CREDITOR LISTING**

RON HENDRICKSON
152 SOUTH HARVARD ST.
MURRIETA, CA 92563

**RETURNED 7/23/12; NOT DELIVERABLE AS
ADDRESSED; UNABLE TO FORWARD
CREDITOR LISTING**

CITY OF WILDOMAR
23873 CLINTON KEITH RD.
SUITE 201
LAKE ELSINORE, CA 92530

**RETURNED 7/23/12; ATTEMPTED, NOT
KNOWN; UNABLE TO FORWARD
CREDITOR LISTING**

JUAN BOTELLO
20405 BRYANT ST.
TEMECULA, CA 92593

**RETURNED 7/23/12; NO SUCH NUMBER
CREDITOR LISTING**

TRACY B. HALES
32230 52ND AVE. SOUTH
AUBURN, WA 98001

**RETURNED 7/30/12; ATTEMPTED, NOT
KNOWN; UNABLE TO FORWARD
CREDITOR LISTING**

CHRIS HANA
40277 STARLING ST.
TEMECULA, CA 92593

**RETURNED 8/20/12; NO SUCH NUMBER;
UNABLE TO FORWARD
CREDITOR LISTING**

JIM BAILEY
21100 STATE ST. #212
HEMET, CA 92544

**CORRECTED ADDRESS PER POC 10-2-12
CREDITOR LISTING**

CYNTHIA POLLARD
39202 SUGARCANE DR.
MURRIETA, CA 92562

**DUPLICATE
CREDITOR LISTING**

LAW OFFICES OF THOMPSON ET AL
152 SOUTH HARVARD ST.
MURRIETA, CA 92543

**CHANG OF ADDRESS 1-16-13
CREDITOR LISTING**

DALE AND CHRISTINE BOWMAN
PO BOX 1936
BULLHEAD CITY, AZ 86430

**4/25/13; NEW ADDRESS
INTERESTED PARTY**

UNITED STATES TRUSTEE (RS)
3685 MAIN STREET, SUITE 300
RIVERSIDE, CA 92501

**RETURNED 5/10/13; ATTEMPTED, NOT
KNOWN; UNABLE TO FORWARD
CREDITOR LISTING**

ALLIANCE ONE
8589 AERO DRIVE
SAN DIEGO, CA 92123

**RTS 5/20/13; ATTEMPTED, NOT KNOWN;
UNABLE TO FORWARD; SEE PROOF OF
CLAIM ADDRESS
CREDITOR LISTING**

MICHELLE SALRIN
258 CHESTNUT ST
LAFAYETTE, IN 47905