

Attorney or Party Name, Address, Telephone & FAX Nos., State Bar No. & Email Address Lynda T. Bui, Trustee 3750 University Ave., Ste. 670 Riverside, CA 92501 Telephone: (949) 340-3400 Facsimile: (949) 340-3000 Email: trustee.bui@shbllp.com Chapter 7 Trustee <input checked="" type="checkbox"/> Individual appearing without attorney <input type="checkbox"/> Attorney for:	FOR COURT USE ONLY
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**UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA - RIVERSIDE DIVISION**

In re: JOSE MANUEL LAZATIN aka Jose M. Lazatin and ELSIE JUNE CRUZ-HERRERA aka Elsie J. Cruz-Herrera dba Lazatin Family Day Care aka Elsie J. Lazatin, Debtor(s).	CASE NO.: 6:12-bk-28373-WJ CHAPTER: 7 NOTICE OF SALE OF ESTATE PROPERTY
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Sale Date: 10/22/2013	Time: 10:30 am
Location: Courtroom 302, U.S. Bankruptcy Court, 3420 Twelfth Street, Riverside, CA 92501	

Type of Sale: Public Private **Last date to file objections:** 10/08/2013

Description of property to be sold: Real Property located at 1236 Longport Way, Corona, CA 92501

Terms and conditions of sale: Free and clear of certain liens pursuant to Bankruptcy Code §§ 363(b)(1) and (f)
The total consideration to be paid is \$336,473.25 which includes (1) a "carve-out" of \$18,000 to be paid to the Estate by
the Buyers, (2) real property taxes, (3) brokerage commissions, (4) closing costs and (5) other monetary obligations
the Estate as the seller of the Property would normally need to pay at the close of escrow.
See attached for more information.

Proposed sale price: \$ 336,473.25

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): Sale is subject to overbids. See attached for information on submitting overbids.

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

October 22, 2013 at 10:30 A.M.

Courtroom 302

U.S. Bankruptcy Court

3420 Twelfth Street

Riverside, CA 92501

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

Lynda T. Bui, Chapter 7 Trustee

3750 University Ave., Ste. 670

Riverside, CA 92501

Telephone: (949) 340-3400

Facsimile: (949) 340-3000

Email: trustee.bui@shbllp.com

Date: 09/12/2013

**ATTACHMENT TO NOTICE
OF SALE OF ESTATE PROPERTY**

1 **In re Jose Manuel Lazatin and Elsie June Cruz-Herrera**
2 **Case No. 6:12-bk-28373-WJ**

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

4 **I. INTRODUCTION**

5 Lynda T. Bui, the Chapter 7 trustee (“Trustee”) for the bankruptcy estate
6 (“Estate”) of Jose Manuel Lazatin and Elsie June Cruz-Herrera (“Debtors”), has filed a
7 Motion for Order: (1) Approving the Short Sale of Real Property of the Estate Free and
8 Clear of Liens Pursuant to Bankruptcy Code §§ 363(b) and (f) and Subject to Overbids,
9 Combined With Notice of Bidding Procedures and Request for Approval of Bidding
10 Procedures Utilized; (2) Approving Payment of Real Estate Commission; and (3)
11 Granting Related Relief Including Use of Sale Proceeds to Reimburse Trustee for
12 Actual Costs Incurred (“Sale Motion”).

13 As set forth below, this is a **short sale** of the real property located at 1236
14 Longport Way, Corona, California 92881 (“Property”). As a preliminary matter, the
15 Debtors were in the process of obtaining approval of a short sale of the Property when
16 the bankruptcy case was filed. In fact, subsequent to the bankruptcy filing, the Debtors
17 entered into a listing agreement with a broker to market the Property for sale. At the
18 Debtors’ 341(a) meeting of creditors, the Debtors advised the Trustee that an offer of
19 \$285,000 had been received from Santiago Castillo, Meding Castillo and Ricardo Bides
20 (“Buyers”).¹ The Trustee explained that she would take over and proceed with the short
21 sale and agreed to utilize the Debtors’ broker.

22 Thereafter, the Trustee received an offer from the Buyers to purchase the
23 Property free and clear of all liens for total consideration of \$336,473.25, which includes
24 a purchase price of \$306,000 plus a “carve-out” of \$18,000 to be paid to the Estate by
25 the Buyers, and such amounts necessary to pay real property taxes, brokerage
26 commissions, closing costs and other monetary obligations the Trustee on behalf of the

27 ¹ The Trustee was subsequently informed of the following relationships: Gus Alon, Jr. is
28 the brother of Debtor Elsie Lazatin. Gus Alon, Jr. and Debbie Alon currently reside at the
Property. Santiago and Meding Castillo are the parents of Debbie Alon and Ricardo Bides is
Debbie Alon’s brother.

1 Estate as the seller of the Property would normally need to pay at the close of escrow.²
2 This is a true short sale as the total consideration is **less** than the total amount owed to
3 the lienholder.

4 The Property has been on the market since September 2012 and while it has
5 been extensively marketed, there has been little interest. The Property is not in good
6 condition and is currently occupied by tenants who are aware of the short sale status
7 and thus have refused to pay rent and maintain the Property. **The original high and**
8 **best offer was for \$285,000 from the Buyers and was increased to \$306,000 based**
9 **on a counter offer from CitiMortgage Inc. The Buyers' offer is the only offer**
10 **received by the Trustee.**

11 It is believed that a further bidding deadline on the Property will provide no
12 additional benefit to the Estate as the highest bids have already been received.
13 Moreover, with the secured lender payoff increasing every month, the Trustee believes
14 that the sale must not be delayed by further bidding deadlines and the Property must be
15 sold as soon as possible in order to maximize the benefit for the Estate.

16 To complete the short sale process, the creditor holding the first priority lien on
17 the Property, CitiMortgage Inc.³ has pre-approved the short sale of the Property and
18 has agreed to accept \$279,303.08 in full satisfaction of its lien, which exceeds
19 \$390,000, but has requested that the Trustee first file this Sale Motion. Thus, the
20 Trustee believes that CitiMortgage Inc. will have no objection to the sale as proposed
21 (i.e. CitiMortgage Inc.'s lien will be paid at the reduced amount agreed to by the lender
22 as full satisfaction of its lien, all approved costs will be paid through escrow and the
23 Estate will receive the benefit of a \$18,000 carve-out which will be paid by the Buyers.)
24 The Trustee understands (and as is customary) that at closing, CitiMortgage Inc. may
25 want to negotiate the final allowed or disallowed costs and/or the final payoff to the

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

27 ³ The Preliminary Title Report indicates ABN Amro Mortgage Group, Inc. is the holder of
28 the first trust deed on the Property. In their Schedules, the Debtors identified the holder of the
first trust deed as being CitiMortgage Inc.

1 lender. Provided that the Estate receives the \$18,000 carve-out at closing, the Trustee
2 requests authorization to work with and agree with the lender to resolve the allowance
3 and disallowance of costs and/or payoff amounts as part of the escrow closing without
4 the need for further notice, hearing or Court order.

5 Based on good business reasons, including the current real estate market, the
6 fact the Property has been on the market for almost one year, and the debt on the
7 Property far exceeding the value of the Property, the Trustee is requesting that the Sale
8 Motion be approved as it is in the best interest of the creditors of this Estate. If this Sale
9 Motion is not approved, there is a possibility that CitiMortgage Inc. could foreclose on
10 the Property on account of its underwater status and the delinquent obligations. As will
11 be discussed further below, the Trustee believes that good cause exists to grant the
12 Sale Motion so the Trustee does not lose this favorable business opportunity.

13 II. RELEVANT FACTS

14 A. Case Commencement

15 The Debtors commenced this bankruptcy case under Chapter 7 by filing a
16 Voluntary Petition on August 7, 2012 ("Petition Date").

17 Lynda T. Bui is the duly appointed, qualified and acting Chapter 7 trustee for the
18 Estate.

19 B. The Property

20 An "asset" of the Estate is the Debtors' interest in the real property located in
21 Riverside County at 1236 Longport Way, Corona, California 92881. The Property is
22 legally described as stated in the Preliminary Title Report dated July 25, 2013, a true
23 and correct copy of which is attached as Exhibit 1 to the Declaration of Lynda T. Bui
24 ("Bui Declaration") annexed to the Sale Motion. Title to the Property is held in the name
25 of "Jose Lazatin, a married man, as his sole and separate property."

26 In their Schedules filed on August 7, 2012, the Debtors valued the Property at
27 \$288,000 and listed a first priority lien in favor of CitiMortgage Inc. in the amount of
28 \$390,000. The Debtors have not claimed an exemption in the Property. The Debtors'

1 Statement of Intentions filed on August 7, 2012 indicate that they “are attempting to
2 modify and retain the property.” A true and correct copy of the Debtors’ Schedules A, C
3 and D and Statement of Intentions are attached as Exhibit 2 to the Bui Declaration
4 annexed to the Sale Motion.

5 On August 9, 2012, the Debtors filed a Declaration Regarding Secured Debt
6 Payment History (docket number 9) indicating that no payment has been made to
7 CitiMortgage Inc. since October 2011 and that total unpaid arrearages were \$22,690.00.
8 A true and correct copy of the Declaration Regarding Secured Debt Payment History is
9 attached as Exhibit 3 to the Bui Declaration annexed to the Sale Motion.

10 The Trustee is informed that the tenants who reside at the Property are Gus
11 Alon, Jr. and Debbie Alon. Gus Alon, Jr. is the brother of Debtor Elsie Lazatin.

12 The Trustee is informed the tenants at the Property would pay the monthly
13 mortgage payment directly to the lender and stopped paying the monthly mortgage in or
14 about September 2011 and have not paid anything to the lender since that time.

15 CitiMortgage Inc. filed its Notice of Default on March 6, 2012 and recorded its
16 Notice of Trustee’s Sale on June 12, 2012 (See, Exhibit 1 at page 6 of the Bui
17 Declaration annexed to the Sale Motion). A foreclosure sale was scheduled for
18 September 11, 2012.

19 **C. Trustee’s Employment of the Broker**

20 Subsequent to the Petition Date, in September 2012, the Debtors entered into a
21 Residential Listing Agreement with Sara Doyle of Prudential California Realty (“Broker”)
22 to market the Property for sale. The Property was listed for sale at \$290,000.

23 At the Debtors’ 341(a) meeting of creditors, the Debtors advised that an offer of
24 \$285,000 had been received by the Debtors from the Buyers and that the Broker was
25 working with CitiMortgage Inc. regarding a short sale. The Trustee explained that she
26 would take over and proceed with the short sale and agreed to utilize the Debtors’
27 broker.

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1 On October 19, 2012, the Trustee filed an application to employ the Broker as
2 her real estate broker ("Employment Application") (docket number 21) to assist her with
3 effectively listing and marketing the Property for sale, as well as continuing with the
4 negotiations for a short sale with CitiMortgage Inc. The listing agreement called for a
5 real estate commission to be paid of six percent of the sale price (which includes fees
6 for the short sale negotiation).⁴

7 The Employment Application was approved pursuant to Court order entered on
8 November 6, 2012 (docket number 24).

9 **D. Basis for the Value of the Property**

10 The Broker has more than eight years of experience in the sale of real property
11 as well as property valuations and is familiar with valuing real property in today's
12 economic environment. The Broker listed the Property on the MLS for sale at \$290,000
13 and believed that the price was a fair value. It was also agreed that if no buyer was
14 found, the Property's listing price would be adjusted accordingly.

15 From her over eight years of experience with short sales, the Broker is aware
16 that the lenders will often obtain their own appraisals or otherwise determine the fair
17 market value of the subject real property before approving the short sale. It is also not
18 uncommon for lenders to counter with the price they obtained the appraisal for if its
19 higher than the offer price. As such, the Broker believes that CitiMortgage Inc. obtained
20 its own appraisal of the Property particularly because it countered Buyers' original offer
21 and increased the sale price by approximately \$21,000. That is, upon final approval of
22 the short sale, CitiMortgage Inc. would have had determined that the proposed sale
23 price for the Property was for fair market value.

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26 ⁴ The Declaration of the Broker in support of the Employment Application indicates that
27 the Broker would not engage in dual representations. As the Trustee was preparing this Motion,
28 the Trustee was made aware that the Broker had agreed to represent the proposed Buyers in
connection with the sale. The Trustee has no objection to the Broker's representation of the
Buyers in the proposed transaction but wanted to bring it to the Court's attention. The Broker is
aware that her commissions in connection with this sale are subject to Court approval.

1 **E. Marketing of the Property for Sale and Bidding Utilized**

2 The Trustee submits that the Property has been extensively marketed and at this
3 time there are no viable alternative buyers for the Property other than the Buyers
4 proposed herein. The Property has been on the market since September 2012 and
5 during this time, there were only several inquiries, two showings and the Buyers' offer
6 was the only offer that had been received on the Property. The Trustee is informed that
7 the Property is not in very good condition and needs paint. The tenants at the Property
8 are aware of the short sale and are not making any improvements on the Property.
9 (See the Declaration of Sara Doyle annexed to the Sale Motion.)

10 The Broker has advised that she has spent numerous hours marketing the
11 Property for sale and negotiating with CitiMortgage Inc. to get its approval for the short
12 sale (i.e. to accept the net proceeds from the sale of the Property in full satisfaction of
13 the amount owed on its lien.) It is believed that if the sale is not approved, the Trustee
14 may not be able to find another buyer prior to the lienholder foreclosing on the Property.

15 It is believed that a further bidding deadline on the Property will provide no
16 additional benefit to the Estate as the highest bids have already been received.
17 Moreover, with the secured lender payoff increasing every month, the Trustee believes
18 that the sale must not be delayed by further bidding deadlines and the Property must be
19 sold as soon as possible in order to maximize the benefit for the Estate.

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

22 The Trustee has reviewed the Preliminary Title Report attached as Exhibit 1 to
23 the Bui Declaration annexed to the Sale Motion. From the Debtors' Schedules and the
24 Preliminary Title Report the Trustee believes that the total liens against the Property
25 exceed \$390,000. The following chart sets forth and accounts for all of the recorded
26 liens and encumbrances against the Property described in the Preliminary Title Report
27 and their proposed treatment through the sale:

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1 The terms of the sale of the Property and other details,⁶ and the relief sought by
2 the Sale Motion, are as follows:

3 Buyers:	Santiago Castillo, Meding Castillo and Ricardo Bides
4 Purchase Price:	\$306,000, plus a carve-out payment of \$18,000 from the Buyers to the Estate. 5 CitiMortgage Inc. has agreed to reduce its loan balance by an amount sufficient to permit the proceeds of the sale to pay the lender's loan balance (as reduced), real property taxes, brokerage commissions, 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 senior lienholder, CitiMortgage Inc. 6 7 8 9 Cash to be paid by the Buyer at closing – the total consideration to be paid by the Buyer is \$336,473.25.
10 Escrow Holder and Escrow Closing Date:	The escrow holder shall be Traditional Escrow, Inc., 6349 Riverside Avenue, Riverside, CA 92506. Escrow is scheduled to close as soon as possible after Court approval of the sale and final approval by CitiMortgage Inc.
11 12 13 14 15 16 17 18 19 20 21 22 Costs of Sale and Payments Through Escrow (including Real Estate Agent Commission)	<ul style="list-style-type: none"> • Outstanding real property taxes shall be paid.⁸ • \$279,303.08 to CitiMortgage Inc. in full satisfaction of the first priority lien. • 6% broker's commission, or \$18,360 to the Trustee's Broker (who is both the listing and selling broker) • \$18,000 to the Trustee on behalf of the Estate (Carve-Out Amount). The Trustee, on behalf of the Estate, shall retain the Carve-Out Amount in the Estate free and clear of any liens of interests, to compensate the Estate inter alia for its efforts in connection with the sale of the Property. • Payment of 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 senior lienholder, CitiMortgage Inc. • Payment of the balance of the sale proceeds, if any, to the senior lienholder, CitiMortgage Inc.

23 ⁶ A summary of the Agreement's terms and highlights are discussed below, but the summary and discussions are not meant to be a complete review of every provision of the Agreement. The Agreement itself is the legally binding document the Trustee seeks approval of and, in the event of any inconsistency between the terms, provisions or effect of the Agreement and the description of it in these pleadings, the Agreement alone shall govern and not these pleadings or the descriptions therein.

26 ⁷ If necessary, given that this is a short sale, the Trustee may be seeking a carve-out from the Broker to make sure that there will be sufficient funds in the Estate to make a meaningful distribution.

28 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	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.
2		
3	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 its 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 itself, its heirs, successors and assigns, all claims against the Debtors, their attorneys, agents and employees, the Estate, Lynda T. Bui as Trustee and individually, and her attorneys, the law firm for which she is associated, her agents and employees, arising or which might otherwise arise in the future concerning the Property.
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9	Terms of Sale - Free and Clear of Liens and Encumbrances	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.
10		
11		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, if any , (but excluding the Estate's Carve-Out Amount of \$18,000) 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
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13		
14	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.
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17	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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20 **H. Notice of Bidding Procedures**

21 The Buyers' offer presented in this Sale Motion is the best offer that the Trustee
 22 received. The Trustee submits that the Property has been extensively marketed and at
 23 this time there are no viable alternative buyers for the Property other than the Buyers
 24 proposed by the Trustee. Nevertheless, the Trustee believes it would benefit the Estate
 25 and CitiMortgage Inc. to permit all interested parties to receive information and bid for
 26 the Property instead of selling the Property to the Buyer on an exclusive basis.
 27 Accordingly, in order to obtain the highest and best offer for the benefit of the creditors
 28

1 of this Estate, the Trustee also seeks Court approval of the following bidding procedures
2 (“Bidding Procedures”):

3 • Potential overbidders must bid an initial amount of at least \$10,000.00
4 over the consideration offered by the Buyer, or total consideration of \$346,473.25 to
5 cover the Estate’s carve-out fee, the reimbursement of legal fees related to the sale and
6 all typical and customary costs of sale as are ordinary in the County where the Property
7 is located to be paid by a seller of real estate, including title insurance and escrow
8 costs. Minimum bid increments thereafter shall be \$5,000.00. The Trustee shall have
9 sole discretion in determining which overbid is the best for the Estate and will seek
10 approval from the Court of the same.

11 • Overbids must be in writing and be received by the Trustee to the
12 attention of Lynda T. Bui on or before **4:00 p.m. (California time) on the date which is**
13 **seven (7) business days prior to the hearing on the Sale Motion or October 11,**
14 **2013.**

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

17 • The overbidder must also provide evidence of having sufficient specifically
18 committed funds to complete the transaction or a lending commitment for the bid
19 amount and such other documentation relevant to the bidder’s ability to qualify as the
20 purchaser of Property and ability to close the sale and immediately and unconditionally
21 pay the winning bid purchase price at closing.

22 • The overbidder must seek to acquire the Property on terms and conditions
23 not less favorable to the Estate than the terms and conditions to which the Buyer has
24 agreed to purchase the Property as set forth in the Agreement attached as Exhibit 4 to
25 the Bui Declaration annexed to the Sale Motion, including closing on the sale of the
26 Property in the same time parameters as the Buyer.

27 • All competing bids must acknowledge that the Property is being sold on an
28 “AS IS” basis without warranties of any kind, expressed or implied, being given by the
29 Seller, concerning the condition of the Property or the quality of the title thereto, or any
30 other matters relating to the Property. The competing bid buyer must represent and
31 warrant that he/she is purchasing the Property as a result of their own investigations
32 and are not buying the Property pursuant to any representation made by any broker,
33 agent, accountant, attorney or employee acting at the direction, or on the behalf of the
34 Seller. The competing bidder must acknowledge that he/she has inspected the
35 Property, and upon closing of Escrow governed by the Agreement, the Buyer forever
36 waives, for himself/herself, their heirs, successors and assigns, all claims against the
37 Debtors, their attorneys, agents and employees, the Estate, Lynda T. Bui as Trustee
38 and individually, and her attorneys, agents and employees, arising or which might
39 otherwise arise in the future concerning the Property.

40 • If overbids are received, the final bidding round for the Property shall be
41 held at the Trustee’s Irvine office located at 8105 Irvine Center Drive, Suite 600, Irvine,
42 California, **five (5) business days** before the hearing on the Sale Motion or **October**
43 **15, 2013,** in order to allow all potential bidders the opportunity to overbid and purchase
44 the Property. At the final bidding round, the Trustee or her counsel will, in the exercise
45 of their business judgment and subject to Court approval, accept the bidder who has
46 made the highest and best offer to purchase the Property, consistent with the Bidding
47 Procedures (“Successful Bidder”).

1 • At the hearing on the Sale Motion, the Trustee will seek entry of an order,
2 *inter alia*, authorizing and approving the sale of the Property to the Successful Bidder.
3 The hearing on the Sale Motion may be adjourned or rescheduled without notice other
4 than by an announcement of the adjourned date at the hearing on the Sale Motion.

5 • In the event the Successful Bidder fails to close on the sale of the Property
6 within the time parameters approved by the Court, the Trustee shall retain the
7 Successful Bidder's Deposit and will be released from her obligation to sell the Property
8 to the Successful Bidder and the Trustee may then sell the Property to the first back-up
9 bidder approved by the Court at the hearing on the Sale Motion ("First Back-Up
10 Bidder").

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

17 **I. Tax Consequences**

18 This is a short sale. The sale will be for less than the Debtors' original purchase
19 price and improvement costs attributed to the Property. It is anticipated that there will
20 be no tax liability generated from the sale.
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22
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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*) **September 12, 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 F Brady on behalf of Debtor Jose Lazatin - johnbrady.cbg@zoho.com

Lynda T. Bui (TR) - trustee.ltranbui@shbllp.com, C115@ecfcbis.com

Kelly M Raftery on behalf of Creditor CitiMortgage, Inc., its assignees and/or successors bknotice@mccarthyholthus.com

United States Trustee (RS) - ustpreion16.rs.ecf@usdoj.gov

Gilbert B Weisman on behalf of Creditor FIA Card Services NA as successor in interest to Bank of America NA (USA) and MBNA America Bank NA - notices@becket-lee.com

Service information continued on attached page

2. SERVED BY UNITED STATES MAIL:

On (*date*) **September 12, 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*) **September 12, 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)

U.S. Bankruptcy Court

Attn: Honorable Wayne E. Johnson

3420 Twelfth Street, Bin Outside of Courtroom 302

Riverside, CA 92501-3819

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.

September 12, 2013

Date

Erlanna Lohayza

Printed Name

/s/ Erlanna Lohayza

Signature

U.S. MAIL SERVICE LIST

Buyers

Santiago Castillo
Meding Castillo
9132 W. Viking Road
Las Vegas, NV 89147

Ricardo Bides
20230 Hart Street
Canoga Park CA 91306

Buyers'/Trustee's Broker

Sara Doyle
Prudential California Realty
1181 California Avenue, Suite 204
Corona, CA 92881

Secured Party

Riverside County Treasurer and Tax Collector
Riverside County Administrative Center
4080 Lemon Street
Riverside, CA 92501

Secured Party

CitiMortgage Inc.
P.O. Box 6030
Sioux Falls, SD 57117-6030

Attorney for Secured Party

Kelly M. Rafferty, Esq.
McCarthy & Holthus, LLP
1770 Fourth Avenue
San Diego, CA 92101

CONTINUED ON FOLLOWING PAGE

U.S. MAIL SERVICE LIST CONTINUED.

DEBTORS

JOSE MANUEL LAZATIN
ELSIE JUNE CRUZ-HERRERA
24396 SWIFT DEER TRAIL
CORONA, CA 92883

COURT MAILING MATRIX

FIA CARD SERVICES NA AS
SUCCESSOR IN INTEREST TO
BANK OF AMERICA NA (USA)
AND MBNA AMERICA BANK NA
C/O BECKET AND LEE LLP
POB 3001
MALVERN, PA 19355-0701

COURT MAILING MATRIX

BANK OF AMERICA, N.A.
450 AMERICAN ST
SIMI VALLEY, CA 93065

COURT MAILING MATRIX

CITIMORTGAGE INC
PO BOX 6030
SIOUX FALLS, SD 57117-6030

COURT MAILING MATRIX

HERITAGE PACIFIC FINAN
2200 AVENUE K STE 100
PLANO, TX 75074

COURT MAILING MATRIX

LEADING EDGE RECOVERY
SOLUTIONS
PO BOX 129
LINDEN, MI 48451-0129

COURT MAILING MATRIX

PNC BANK, N.A.
1 FINANCIAL PKWY
KALAMAZOO, MI 49009

COURT MAILING MATRIX

SO CALIF EDISON COMPAN
2131 WALNUT GROVE AVE
ROSEMEAD, CA 91770

NOTICE PURPOSES

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

**RETURN TO SENDER - NOT
DELIVERABLE AS ADDRESSED**

COURT MAILING MATRIX
CAP ONE
PO BOX 85520
RICHMOND, VA 23285

ATTORNEY FOR THE DEBTORS

JOHN F BRADY
JOHN F BRADY & ASSOCIATES
APLC
110 WEST "C" ST STE 1002
SAN DIEGO, CA 92101

COURT MAILING MATRIX

AMEX
PO BOX 297871
FORT LAUDERDALE, FL 33329

COURT MAILING MATRIX

CAPITAL MANAGEMENT
726 EXCHANGE STREET, STE 700
BUFFALO, NY 14210

COURT MAILING MATRIX

CREDITORS INTERCHANGE
80 HOLTZ DRIVE
BUFFALO, NY 14225

COURT MAILING MATRIX

JOSEPHINE LAZATIN
16435 STOWERS AVE
CERRITOS, CA 90703

COURT MAILING MATRIX

MIDLAND FUNDING
8875 AERO DR STE 200
SAN DIEGO, CA 92123

COURT MAILING MATRIX

QUALITY LOAN SERVICE CORP
2141 5TH AVENUE
SAN DIEGO, CA 92101

COURT MAILING MATRIX

STEVE LAZATIN
16435 STOWERS AVE
CERRITOS, CA 90703

RETURNED MAIL

**RETURN TO SENDER -
INSUFFICIENT ADDRESS**

COURT MAILING MATRIX
CITIMORTGAGE INC
PO BOX 9438
GAITHERSBURG, MD 20898

INTERESTED PARTY

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

COURT MAILING MATRIX

ASSOCIATED RECOVERY
SYSTEMS
PO BOX 469046
ESCONDIDO, CA 92046

COURT MAILING MATRIX

DR. GILL
360 W FOOTHILL PKWY, STE 103
CORONA, CA 92882

COURT MAILING MATRIX

KOHL'S/CAPONE
N56 W 17000 RIDGEWOOD DR
MENOMONEE FALLS, WI 53051

COURT MAILING MATRIX

NORTHLAND GROUP
PO BOX 390846
MINNEAPOLIS, MN 55439

COURT MAILING MATRIX

RJM ACQ LLC
575 UNDERHILL BLVD STE 2
SYOSSET, NY 11791

NOTICE PURPOSES

INTERNAL REVENUE SERVICE
CENTRALIZED INSOLVENCY
OPERATIONS
PO BOX 7346
PHILADELPHIA, PA 19101-7346

**RETURN TO SENDER - NOT
DELIVERABLE AS ADDRESSED**

COURT MAILING MATRIX
BANK OF AMERICA
PO BOX 1598
NORFOLK, VA 23501