

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: (951) 275-9300 Facsimile: (951) 275-9303 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: DEBBIE RATHMANN, Debtor(s).	CASE NO.: 6:12-bk-31130-WJ CHAPTER: 7 <p style="text-align: center;">NOTICE OF SALE OF ESTATE PROPERTY</p>
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Bids due by 01/28/2014 at 4:00 p.m.

Sale Date: Final Bidding Round 01/31/2014 at 9:30 a.m. Court Hearing 02/18/2014 at 10:30 a.m.	Time:
Location: See Attached.	

Type of Sale: Public Private **Last date to file objections:** 02/14/2014

Description of property to be sold: Real Property located at 2895 Lake View Drive, Perris, CA 92571

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 \$201,573.09, which includes (1) a bankruptcy fee "carve-out" of \$15,000 to be paid to the Estate, (2) real property taxes, (3) brokerage commissions, (5) closing costs, and (6) other monetary obligations the Estate as seller would normally pay at closing.
See attached for more information.

Proposed sale price: \$ 201,573.09

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): Bids due by 01/28/2014 at 4:00 pm., and Final Biding Round to be held on 01/312014 at 9:30 a.m., at the law offices of Shulman Hodges & Bastian LLP located at 8105 Irvine Center Drive, Suite 600, Irvine, CA 92618. SEE ATTACHED FOR MORE INFORMATION ON THE BIDDING PROCEDURES.

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

February 18, 2014 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: (951) 275-9300

Facsimile: (951) 275-9303

Fax: (949) 340-3000

Email: trustee.bui@shbllp.com

Date: 12/24/2013

1 **In re Debbie Rathmann**
2 **Case No. 6:12-bk-31130-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 Debbie Rathmann ("Debtor"), is bringing a Motion for Order: (1) Authorizing
7 the Short Sale of Real Property of the Estate, to the Highest Bidder, Free and Clear of
8 Liens Pursuant to Bankruptcy Code §§ 363(b) and (f), Combined With Notice of Bidding
9 Procedures to Be Conducted Prior to the Court Hearing and Request for Approval of
10 Bidding Procedures Utilized; (2) Approving Payment of Real Estate Commission; and
11 (3) Granting Related Relief Including Use of Sale Proceeds to Reimburse Trustee for
12 Actual Costs Incurred ("Sale Motion").

13 Subject to the Final Bidding Round (defined below) to be conducted by the
14 Trustee or her agent on **January 31, 2014 at 9:30 a.m.**, this is a **short sale** of real
15 property located at 2895 Lake View Drive, Perris, CA 92571 ("Property"). The Trustee
16 proposes to conduct the short sale free and clear of liens under Bankruptcy Code
17 sections 363(f)(1), (2) and (5).

18 The Trustee has received an offer from Roswitha Breuer ("Buyer") to purchase
19 the Property free and clear of all liens for total consideration of \$201,573.09, which
20 includes a proposed discounted payoff to the senior lienholder of \$123,470.89, a
21 proposed bankruptcy fee "carve-out" of \$15,000 to be paid to the Estate, \$1,000 to the
22 Estate for bankruptcy document preparation fees and numerous other costs, including
23 but not limited to escrow charges, title charges and documentary transfer taxes. All
24 proposed payments through escrow on the sale are subject to the senior lienholder's
25 approval. The Trustee anticipates the approval will be obtained prior to the hearing on
26 the Sale Motion.

27 This is a true short sale as the total consideration is less than the total amount
28 owed to the senior lienholder. To complete the short sale process, senior lienholder on

1 the Property, Bank of America¹ ("BofA"), has requested that the Trustee file this Sale
2 Motion.² Thus, the Trustee believes that BofA will have no objection to the sale as
3 proposed (i.e. the first priority lien will be paid at the reduced amount agreed to by the
4 senior lienholder as full satisfaction of its lien, all approved costs will be paid through
5 escrow and the Estate will receive the benefit of a proposed \$15,000 carve-out.) The
6 Trustee understands (and as is customary) that at closing, BofA may want to negotiate
7 the final allowed or disallowed costs and/or the final payoff to the senior lienholder.
8 Provided that the Estate receives the proposed \$15,000 carve-out at closing, the
9 Trustee requests authorization to work with and agree with the senior lienholder and its
10 agent to resolve the allowance and disallowance of costs and/or payoff amounts as part
11 of the escrow closing without the need for further notice, hearing or Court order. With
12 the senior lienholder payoff increasing every month, the Trustee believes that the sale
13 must not be delayed and the Property must be sold as soon as possible in order to
14 maximize the benefit for the Estate.

15 If this Sale Motion is not approved, any and all benefit to the Estate will be
16 completely lost as it is likely that the senior lienholder (who had filed a Notice of
17 Trustee's Sale prior to the Petition Date) will foreclose on the Property on account of its
18 underwater status and the delinquent obligations. As will be discussed further below,
19 the Trustee believes that good cause exists to grant the Sale Motion so the Trustee
20 does not lose this favorable business opportunity.

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25 ¹ The preliminary title report indicates MERS, strictly as Nominee for Countrywide Home
26 Loans, Inc., a New York corporation is the holder of the first trust deed on the Property. In her
Schedules, the Debtor identified the holder of the first trust deed and second trust deed holder
as being BofA.

27 ² The proposed payment to the senior lienholder and the Estate carve-out was indicated in
28 the HUD-1 estimated closing statement included in the package submitted to the lienholder's
short sale department. Following receipt of the proposed short sale package, to complete the
short sale process, BofA has requested that the Trustee file the Sale Motion.

1 II. **RELEVANT FACTS**

2 **A. Case Commencement**

3 The Debtor commenced her bankruptcy case under Chapter 7 by filing a
4 Voluntary Petition on September 12, 2012.

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

7 **B. The Property**

8 An "asset"³ of the Estate is the Debtor's interest in the Property located in
9 Riverside County at 2895 Lake View Drive, Perris, CA 92571. The Property is legally
10 described as stated in the Preliminary Title Report dated January 22, 2013, a true and
11 correct copy of which is attached as **Exhibit 1 to the Bui Declaration annexed to the**
12 **Sale Motion.**

13 The Preliminary Title Report indicates that the Property is held in the name of the
14 Debtor, a single woman and non-debtor Peggy Whisenant, an unmarried woman, all as
15 joint tenants. The Trustee is advised that the Debtor and Ms. Tinder will not be
16 opposing the Sale Motion and want the Trustee to proceed with the short sale so that
17 they do not have a foreclosure on their records, making it easier to purchase another
18 home later in life.

19 In her Schedules, the Debtor valued the Property at \$140,173 and listed a first
20 priority lien of \$261,252, and a second priority lien of \$30,716.70, both in favor of BofA.
21 On her original Schedule C, the Debtor did not claim an exemption in the Property. True
22 and correct copies of the Debtor's Schedules A, C and D are attached **Exhibit 2 to the**
23 **Bui Declaration annexed to the Sale Motion.**

24 The Debtor has no allow claimed of exemption in the Property. The Debtor filed
25 an Amended Schedule C on July 3, 2013 (docket number 30), claiming an exemption of
26 \$10,855 in "any contingent claims from short sale of house". On August 2, 2013, the
27 Trustee filed her Objection to Debtor's Amended Claim of Exemption in "Any Contingent
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³ It should be noted that on its face, the Property has no equity. Through Trustee's and her
Broker's hard work, the Trustee has created an "asset" of a case that is otherwise is a no "asset" case.

1 Claims from Short Sale of House (“Exemption Motion”) (docket number 31), which was
2 granted and the Debtor’s claim of exemption in the proceeds from a short sale of the
3 Property was disallowed. A true and correct copy of the Order granting the Exemption
4 Motion (docket number 36) is attached to the as **Exhibit 3 to the Bui Declaration**
5 **annexed to the Sale Motion.**

6 **C. Employment of Real Estate Broker**

7 On October 24, 2012, the Trustee filed an application to employ Kristian Peter of
8 San Diego REO Specials as her real estate broker (“Broker”) (“Employment
9 Application”) (docket number 14) to assist her with effectively listing and marketing the
10 Property for sale, as well as negotiating a short sale with the senior lienholder and sale
11 price to prospective buyers to provide a benefit to the Estate. The listing agreement
12 called for real estate commission to be paid of six percent of the sale price (includes
13 fees for short sale negotiation). The Employment Application was approved pursuant
14 to Court order entered on November 16, 2012 (docket number 19).

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

16 The Broker has more than ten years of experience in the sale of real property as
17 well as property valuations and is familiar with valuing real property in today’s economic
18 environment. The Broker listed the Property on the MLS for \$140,173 (the Debtor’s
19 scheduled value).

20 From his over ten years of experience with short sales, the Broker is aware that
21 the lenders will often obtain their own appraisals or otherwise determine the fair market
22 value of the subject real property before approving the short sale. It is also not
23 uncommon for lenders to counter with the price they obtained the appraisal for if it is
24 higher than the offer price. In this case, the short sale and proposed discounted payoff
25 amount of \$123,470.89 is anticipated to be approved by BofA as the lienholder has
26 requested that the Trustee file this Sale Motion. As such, the Broker believes that BofA
27 has or will have obtained its own appraisal of the Property – and will have determined
28 the fair market value – before approving the short sale herein.

1 **E. Marketing of the Property for Sale**

2 The Property has been on the market for over one year. Following the listing of
3 the Property for sale on the MLS, realtors and potential buyers were encouraged to
4 present all offers. There were at least eighteen inquiries and at least twelve offers.
5 The Broker reviewed all initial purchase offers for the Property. Following the review of
6 the multiple offers, the Broker sent out requests to all interested parties and/or their
7 agents to submit the highest and best bids for the Property. The Buyer's offer is the
8 highest and best offer received by the Trustee following the Broker's bidding process.

9 **F. Liens and Encumbrances Against the Property and Their Proposed**
10 **Treatment Through the Sale**

11 From the Debtor's Schedules and the Preliminary Title Report the Trustee
12 believes that the total liens against the Property exceed \$367,000. The following chart
13 sets forth and accounts for all of the recorded liens and encumbrances against the
14 Property described in the Preliminary Title Report and their proposed treatment through
15 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	\$2,237.46 current fiscal year of 2013-2014 (estimated)	Payment in full of defaulted taxes, if any, and pro-rata payment on current tax bill.	All outstanding real property taxes will be paid in full through escrow on the sale transaction

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26 ⁴ The preliminary title report indicates MERS, strictly as Nominee for Countrywide Home Loans, Inc., a New York corporation is the holder of the first trust deed on the Property. In her Schedules, the Debtor identified the holder of the first trust deed and second trust deed holder as being BofA. The lien of the Riverside Business Park LLC was not listed on the Debtor's Schedule D but the creditor was listed as holding a general unsecured creditor on Schedule F.

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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>
BofA	Current beneficiary of a first priority deed of trust recorded November 18, 2005, recording number 2005-0962701. Listed in the Debtor's Schedules as being owed \$261,252.	\$261,252	\$123,470.89 (or an amount as agreed to by BofA)	This lien will be paid through escrow on the sale of the Property in the amount approved by BofA. 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.
BofA	Current beneficiary of a second priority deed of trust recorded November 18, 2005, recording number 2005-0962702. Listed in the Debtor's Schedules as being owed \$30,716.70.	\$30,716.70	\$0.00	Pursuant to Bankruptcy Code sections 363(f)(1) and 363(f)(5) 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 attach to the sale proceeds, if any (but excluding the Estate's carve-out which amount is from the first priority lien.)
Riverside Business Park LLC	Abstract of Judgment recorded July 10, 2012, recording number 2012-0319087	\$75,536.35	\$0.00	Pursuant to Bankruptcy Code sections 363(f)(1) and 363(f)(5) 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 attach to the sale proceeds, if any (but excluding the Estate's carve-out which amount is from the first priority lien.)

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

The Trustee has received the highest and best offer from the Buyer to purchase the Property for the total consideration of \$201,573.09, which includes (1) a proposed discounted payoff to the senior lienholder of \$123,470.89, (2) a bankruptcy fee “carve-out” of \$15,000 to be paid to the Estate and a bankruptcy document preparation fee to be paid to the Estate of \$1,000, (3) real property taxes, (4) brokerage commissions, (5) closing costs, and (6) other monetary obligations the Trustee on behalf of the Estate as the seller of the Property would normally need to pay at the close of escrow.⁵ This is a true short sale as the carve-out for the Estate and the other costs of sale will be from funds that would otherwise go to the senior lienholder on the Property based on the large debt it is owed.

Attached as **Exhibit 4 to the Bui Declaration annexed to the Sale Motion** is a true and correct copy of the Residential Purchase Agreement and Joint Escrow Instructions and related addendum (collectively, the “Agreement”) for which the Trustee is seeking Court approval. Attached as **Exhibit 5 to the Bui Declaration annexed to the Sale Motion** is a true and correct copy of the HUD-1 estimated settlement statement for the transaction.

A summary⁶ of the terms and highlights of the Agreement between the Trustee and the Buyer are discussed below:

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⁵ Except for the carve-out, all other costs are subject to final acceptance and approval by the senior lienholder.

⁶ The summary and discussion are not meant to be a complete review of every provision of the Agreement.

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Buyer:	Roswitha Breuer 146 E 4th Street Perris, CA 92570
Purchase Price:	Purchase price of \$182,000. In addition, the Buyer will pay (1) a carve-out payment of \$15,000 to the Estate, (2) payment to the Estate of \$1,000 for bankruptcy document preparation fees, and (3) 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). Cash to be paid by the Buyer at closing – the total consideration to be paid by the Buyer is \$201,573.09.
Escrow Holder and Escrow Closing Date:	The escrow holder shall be People’s Escrow, Inc. 637 Third Avenue, Suite H, Chula Vista, CA 91910. Escrow is scheduled to close as soon as possible after Court approval of the sale.
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 • \$123,470.89 to BofA in full satisfaction of the first priority lien. • 6% broker’s commission, or \$10,920, to be split between the Trustee’s Broker and the Buyer’s real estate broker as follows: Trustee’s Broker, Kristian Peter of San Diego REOS Specialists in the amount of \$7,280 and Buyer’s real estate broker, Kimberlye Reid of Rim Associates Real Estate in the amount of \$3,640. • \$15,000 to the Trustee on behalf of the Estate (Carve-Out Amount) plus \$1,000 for bankruptcy document preparation fees. The Trustee on behalf of the Estate shall retain the Carve-Out Amount and document preparation fees 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. • Payment of the balance of the sale proceeds, if any, to BofA as the senior lienholder. In the event the sale of the Property closes on a successful overbid, subject to Court and senior lienholder approvals, the senior lienholder and the Trustee will split the excess net sale proceeds beyond that of the Buyer’s purchase offer.
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.
Final Approval From Senior Lienholder	Except for the carve-out to the Estate, all other costs are subject to final acceptance and approval by BofA as the senior lienholder.

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.

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.

<p>1 Terms of Sale - 2 Purchase Without 3 Warranties</p>	<p>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 Debtor, her 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</p>
<p>8 Terms of Sale - Free 9 and Clear of Liens and 10 Encumbrances</p>	<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, if any, (but excluding the Estate's carve-out amount of \$15,000 and \$1,000 for bankruptcy document preparation fees) 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>
<p>13 Terms of Sale - Good 14 Faith Finding</p>	<p>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.</p>
<p>16 Terms of Sale - Waiver 17 of Rule 6004(h)</p>	<p>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.</p>

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20 **H. Tax Consequences**

21 This is a short sale. The sale will be for less than the Debtor's original purchase
22 price and improvement costs attributed to the Property. In addition, this Property
23 appears to be the Debtor's primary residence. It is anticipated that there will be no tax
24 liability generated from the sale.

25 **I. Notice of Bidding Date and Deadline, Bidding Procedures and Process for**
26 **Closing on the Sale Transaction**

27 To ensure that the Estate and the senior lienholder receive the most value for the
28 Property, the Trustee seeks approval of and will be utilizing the following reasonable
and comprehensive bidding procedures ("Bidding Procedures"):

1 1. Qualified Bidders and Bid Deadline.

2 To qualify and be a Qualified Bidder, an interested buyer must do the following:

3 • Submit in writing and be received by the Trustee to the attention of Lynda
4 T. Bui on or before **4:00 p.m. (California time) January 28, 2014** the interested buyer's
intent to participate in the overbidding process.

5 • Submit an overbid in writing of at least \$10,000 over the consideration
6 offered by the Buyer, or a total consideration of \$211,573.09. **The bid shall also be**
7 **without contingencies other than Bankruptcy Court approval for the sale. In**
8 **other words, the Qualified Bidder shall have conducted its own inspection of the**
9 **Property.**

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

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

18 2. Bidding Terms and Final Bidding Round.

19 • The initial bid price shall be at least **\$10,000 over the consideration**
20 **offered by the Buyer, or a total consideration of \$211,573.09.** Minimum bid
21 increments thereafter shall be \$2,000.

22 • The Qualified Bidder must seek to acquire the Property on terms and
23 conditions not less favorable to the Estate than the terms and conditions to which the
24 Buyer has agreed to purchase the Property as set forth in the Buyer's Agreement,
25 including closing on the sale in the same time parameters as the Buyer.

26 • All competing bids must acknowledge that the Property is being sold on an
27 "AS IS" basis without warranties of any kind, expressed or implied, being given by the
28 Seller, concerning the condition of the Property or the quality of the title thereto, or any
other matters 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 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 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, their attorneys, agents and employees, the Estate, Lynda T. Bui as Trustee and
individually, and her attorneys, agents and employees, arising or which might otherwise
arise in the future concerning the Property.

 • If overbids are received from one or more Qualified Bidders, in order to
allow all Qualified Bidders and Buyer to increase their bids, a final bidding round shall
be conducted by the Trustee or her agent on **January 31, 2104 at 9:30 A.M.,** at the law
offices of Shulman Hodges & Bastian LLP located at 8105 Irvine Center Drive, Suite
600, Irvine, CA 92618 ("Final Bidding Round").

1 • At the Final Bidding Round, all Qualified Bidders will be permitted to
2 increase their bids. The bidding shall start at the price proposed to be paid in the
3 highest Qualified Bid, as determined in Trustee's sole discretion, and continue in
4 increments of at least \$2,000.

5 • The Trustee may adopt rules for the bidding process at the Final Bidding
6 Round that, in her reasonable judgment, will better promote the goals of the bidding
7 process. All such rules will provide that: (i) the procedures must be fair and open, with
8 no participating Qualified Bidder disadvantaged in any material way as compared to any
9 other Qualified Bidder, (ii) all bids shall be made and received in one room, on an open
10 basis, and all other bidders shall be entitled to be present for all bidding with the
11 understanding that the true identity of each bidder shall be fully disclosed to all other
12 bidders and that all material terms of each bid will be fully disclosed to all other bidders
13 throughout the entire open bidding process, and (iii) no Qualified Bidder will be
14 permitted more than five minutes to respond to the previous bid at the open Final
15 Bidding Round, and failure to respond within such time period shall disqualify such
16 bidder from further eligibility to bid at the open Final Bidding Round.

17 • Only a Qualified Bidder who has submitted a bid is eligible to participate at
18 the open Final Bidding Round.

19 • At the Final Bidding Round, the Trustee shall (i) review each overbid on
20 the basis of financial and contractual terms, fewest contingencies, factors relevant to the
21 sale process including length of time to close sale, highest non-refundable deposit, and
22 factors affecting the speed and certainty of consummating the sale, and (ii) in the
23 exercise of the Trustee's business judgment, identify the Qualified Bidder who has
24 made the highest and best offer to purchase the Property, consistent with the Bidding
25 Procedures ("Successful Bidder"). In addition, to identifying the Successful Bidder, the
26 Trustee may identify at least two-back up bids (the "First Back-Up Bidder" and "Second
27 Back-Up Bidder").

28 • 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.

3. Court Approval of the Sale Transaction and Closing.

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 and if applicable, approval of the bids received from the First Back-Up Bidder and
4 Second Back-Up Bidder.

5 • The hearing on the Sale Motion may be adjourned or rescheduled without
6 notice other than by an announcement of the adjourned date at the hearing on the Sale
7 Motion.

8 • In the event the Successful Bidder fails to close on the sale of the Property
9 within the time parameters approved by the Court, the Trustee shall retain the
10 Successful Bidder's deposit and will be released from her obligation to sell the Property
11 to the Successful Bidder and the Trustee may then sell the Property to the First Back-
12 Up Bidder selected by the Trustee and approved by the Court at the hearing on the Sale
13 Motion.

14 • In the event First Back-Up Bidder fails to close on the sale of the Property
15 within the time parameters approved by the Court, the Trustee shall retain the First
16 Back-Up Bidder's deposit and will be released from her obligation to sell the Property to
17 the First Back-Up Bidder and the Trustee may then sell the Property to the Second

1 Back-Up Bidder selected by the Trustee and approved by the Court at the hearing on
the Sale Motion.

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4 **Any questions regarding the Bidding Procedures should be directed to the**
Trustee at 3750 University Ave., Ste. 670, Riverside, CA 92501; telephone 949-340-
3400; facsimile 949-340-3000 or email at Trustee.Bui@shbillp.com.

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6 The Bidding Procedures are fair and intended to provide for a “level playing field”
7 for all prospective bidders. The Bidding Procedures establish a reasonable but
8 expeditious timeline for allowing the Trustee to give notice of the proposed sale and
9 qualified bidders to conduct reasonable due diligence and submit competing offers,
10 thereby potentially generating additional value for the Property. As such, the Bidding
Procedures should be approved.

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12 Subject to Court and senior lienholder approvals, the senior lienholder and the
Trustee will split the excess net sale proceeds in the event the sale of the Property
13 closes on a Successful Bidder.

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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*) **December 24, 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:

- Lynda T. Bui (TR) trustee.bui@shbllp.com, C115@ecfcbis.com *Chapter 7 Trustee*
- Lynda T. Bui (TR) trustee.ltranbui@shbllp.com, C115@ecfcbis.com *Chapter 7 Trustee*
- Cori B Jones cjones@mileslegal.com *NEF for Interested Party*
- Paul Y Lee pl@californiabankruptcyrelief.com, cabkrelief.riverside@gmail.com *Attorney for the Debtor*
- Karen A Ragland Karen.Ragland@fnf.com *Attorney for Wells Fargo Dealer Services Inc, fka Wachovia Dealer Services Inc*
- United States Trustee (RS) ustpreion16.rs.ecf@usdoj.gov *Office of the United States Trustee*
- Gilbert B Weisman notices@becket-lee.com *Attorney for American Express Centurion Bank*

Service information continued on attached page

2. SERVED BY UNITED STATES MAIL:

On (*date*) **December 24, 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*) **December 24, 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

US Bankruptcy Court, Hon Wayne E. Johnson, 3420 Twelfth St., Bin Outside Courtroom 302, Riverside, CA 92501

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.

December 24, 2013

Date

Lorre Clapp

Printed Name

/s/ Lorre Clapp

Signature

U.S. MAIL SERVICE LIST

Buyer

Roswitha Breuer
146 E 4th Street
Perris, CA 92570

Buyer's Broker

Kimberlye Reid
Rim & Associates Real Estate
24190 Hancock Ave #C
Murrieta, CA 92562

Trustee's Broker

Kristian Peter
SDREOS
2433 Fenton St Suite B
Chula Vista, CA 91914

Secured Party

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

Secured Party

Bank of America
Correspondence Unit
Attention : Short Sale Bankruptcy
CA6 – 919-02-41
PO Box 5170
Simi Valley CA 93062

Interested Party

Peggy Whisenant
2895 Lake View Dr
Perris, CA 92571

CONTINUED ON FOLLOWING PAGE

U.S. MAIL SERVICE LIST CONTINUED.

DEBTOR

DEBBIE RATHMANN
2895 LAKEVIEW DR
PERRIS, CA 92571

INTERESTED PARTY

UNITED STATES TRUSTEE (RS)
3801 UNIVERSITY AVENUE, SUITE 720
RIVERSIDE, CA 92501-3200

COURT NOTICING MATRIX

AMERICAN EXPRESS CENTURION BANK
C/O BECKET AND LEE LLP
POB 3001
MALVERN, PA 19355-0701

COURT NOTICING MATRIX

WELLS FARGO DEALER SERVICES INC,
FKA WACHOVIA DEALER SERVICES INC
P.O. BOX 19657
IRVINE, CA 92623

COURT NOTICING MATRIX

ARS NATIONAL SERVICES, INC.
PO BOX 463023
ESCONDIDO, CA 92025

COURT NOTICING MATRIX

AT&T
PO BOX 60017
LOS ANGELES, CA 90060

COURT NOTICING MATRIX

AUDITRON
4505 ALLSTATE DR. SUITE 105
RIVERSIDE, CA 92501

COURT NOTICING MATRIX

BANK OF AMERICA
450 AMERICAN STREET SV
SIMI VALLEY, CA 93065

COURT NOTICING MATRIX

CAPITAL RECOVERY CORP.
PO BOX 1008
ALPHARETTA, GA 30009-1008

COURT NOTICING MATRIX

CAPITAL RECOVERY V, LLC
C/O RECOVERY MANAGEMENT
SYSTEMS CORP
25 SE 2ND AVENUE SUITE 1120
MIAMI, FL 33131-1605

COURT NOTICING MATRIX

CHASE
P.O. BOX 15298
WILMINGTON, DE 19850

COURT NOTICING MATRIX

CITIBANK
PO BOX 790034
ST LOUIS, MO 63179-0034

COURT NOTICING MATRIX

CITIBANK USA
CITICORP CREDIT SERVICE
ATTN: CENTRALIZED BANKRUPTCY
PO BOX 20363
KANSAS CITY, MO 64195

COURT NOTICING MATRIX

CULLIGAN
PO BOX 5277
CAROL STREAM, IL 60197-5277

COURT NOTICING MATRIX

CULLIGAN OF ONTARIO
LOCKBOX PROCESSING
PO BOX 2903
WICHITA, KS 67201-2903

COURT NOTICING MATRIX

GE CAPITAL RETAIL BANK
C/O RECOVERY MANAGEMENT
SYSTEMS CORP
25 SE 2ND AVENUE SUITE 1120
MIAMI, FL 33131-1605

COURT NOTICING MATRIX

GECRB/SAMS CLUB DC
GEMB FINANCE
PO BOX 103104
ROSWELL, GA 30076

COURT NOTICING MATRIX

HOME DEPOT
PO BOX 6497
SIOUX FALLS, SD 57117

COURT NOTICING MATRIX

HOME DEPOT CREDIT SERVICES
PO BOX 653000
DALLAS, TX 75265-3000

COURT NOTICING MATRIX

KIMBERLIE A. HALL
PO BOX 33262
RIVERSIDE, CA 92519

COURT NOTICING MATRIX

LARRY W. WARD, RIVERSIDE COUNTY
ASSESSOR
COUNTY ADMINISTRATIVE CENTER
PO BOX 12004
RIVERSIDE, CA 92502-2204

COURT NOTICING MATRIX

PYOD LLC ITS SUCCESSORS AND
ASSIGNS
AS ASSIGNEE OF CITIBANK NA
RESURGENT CAPITAL SERVICES
PO BOX 19008
GREENVILLE, SC 29602-9008

COURT NOTICING MATRIX

PHILIP B. WILLETTE CO LPA
PO BOX 790
PICKERINGTON, OH 43147

COURT NOTICING MATRIX

QUILL.COM
PO BOX 37600
PHILADELPHIA, PA 19101-0600

COURT NOTICING MATRIX

R+L CARRIERS INC
600 GILLMAN ROAD
WILMINGTON, OH 45177-9089

COURT NOTICING MATRIX

R+L CARRIERS
600 GILLMAN RD.
WILMINGTON, OH 45177

COURT NOTICING MATRIX

RMS
4836 BRECKSVILLE
PO BOX 523
RICHFIELD, OH 44286

COURT NOTICING MATRIX

REAL TIME RESOLUTIONS INC
PO BOX 36655
DALLAS, TX 75235-1655

COURT NOTICING MATRIX

RUBIDOUX COMMUNITY SERVICES
DISTRICT
3590 RUBIDOUX BLVD
RIVERSIDE, CA 92509

COURT NOTICING MATRIX

SEARS/CBNA
PO BOX 6282
SIOUX FALLS, SD 57117

COURT NOTICING MATRIX

AMERICAN EXPRESS/MERCHANT
FINAN. SERVICE
PO BOX 981537
EL PASO, TX 79998

COURT NOTICING MATRIX

HEALTH NET
11971 FOUNDATION PLACE
RANCHO CORDOVA, CA 95670

COURT NOTICING MATRIX

REAL TIME RESOLUTIONS INC
PO BOX 36655
DALLAS, TX 75235-1655

NOTICE PURPOSES

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

NO ADDRESS

COURT NOTICING MATRIX

PEGGY WHISENANT

COURT NOTICING MATRIX

RECOVERY MANAGEMENT SYSTEMS
CORPORATION
25 S.E. 2ND AVENUE SUITE 1120
MIAMI, FL 33131-1605

COURT NOTICING MATRIX

SABBAH & MACKOUL APC
116 NORTH VINEYARD AVENUE FIRST
FLOOR
ONTARIO, CA 91764-4433

COURT NOTICING MATRIX

UNVLCITI
PO BOX 6241
SIOUX FALLS, SD 57117

COURT NOTICING MATRIX

BANK OF AMERICA - HOME LOANS
PO BOX 5170
SIMI VALLEY, CA 93062-5170

COURT NOTICING MATRIX

REAL TIME RESOLUTIONS INC
1750 REGAL ROW, SUITE 120
DALLAS, TX 75235

COURT NOTICING MATRIX

T-MOBILE/T-MOBILE BANKRUPTCY TEAM
PO BOX 53410
BELLEVUE, WA 98015

NO ADDRESS

COURT NOTICING MATRIX

STARRFOAM - KINGMAN

COURT NOTICING MATRIX

RIVERSIDE BUSINESS PARK, LLC
C/O THE REMM GROUP
505 S. VILLA REAL STE. 201
ANAHEIM, CA 92807

COURT NOTICING MATRIX

SABBAH & MACKOUL
3880 LEMON STREET 5TH FLOOR
RIVERSIDE, CA 92502

COURT NOTICING MATRIX

VISTERRA CREDIT UNION
23520 CACTUS AVE
MORENO VALLEY, CA 92553

COURT NOTICING MATRIX

ECAST SETTLEMENT CORPORATION,
ASSIGNEE OF
CHASE BANK USA NA
POB 29262
NEW YORK, NY 10087-9262

COURT NOTICING MATRIX

REAL TIME RESOLUTIONS INC
1349 EMPIRE CENTRAL DR SUITE #150
PO BOX 36655
DALLAS, TX 75247

NOTICE PURPOSES

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

RETURN TO SENDER

COURT NOTICING MATRIX

WELLS FARGO FINANCIAL/WACHOVIA
DEALER SE
10750 FOREST ST. SUITE 200
RANCHO CUCAMONGA, CA 91730