

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:  JESSE QUIJANO, JR. and LISA QUIJANO,   Debtor(s).	CASE NO.: 6:12-bk-32540-MH CHAPTER: 7   <p style="text-align: center;"><b>NOTICE OF SALE OF ESTATE PROPERTY</b></p>
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<b>Sale Date:</b> 05/15/2013	<b>Time:</b> 11:00 am
<b>Location:</b> Courtroom 303, U.S. Bankruptcy Court, 3420 Twelfth Street, Riverside, CA 92501	

**Type of Sale:**  Public  Private      **Last date to file objections:** 05/01/2013

**Description of property to be sold:** Real Property located at 49740 Althea Court, La Quinta, CA

**Terms and conditions of sale:** Free and clear of certain liens pursuant to Bankruptcy Code §§ 363(b)(1) and (f) and subject to overbids. See attached for additional terms.

**Proposed sale price:** \$ 510,000.00

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

Overbid procedure (if any): See attached.

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

May 15, 2013 at 11:00 A.M.

Courtroom 303

U.S. Bankruptcy Court

3420 Twelfth Street

Riverside, CA 92501

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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

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Date: 04/24/2013

1 **In re Jesse Quijano, Jr. and Lisa Quijano**  
2 **Case No. 6:12-bk-32540-MH**

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

4 **I. INTRODUCTION**

5 Lynda T. Bui, solely in her capacity as the Chapter 7 Trustee ("Trustee") for the  
6 bankruptcy estate ("Estate") of Jesse Quijano, Jr. and Lisa Quijano ("Debtors"), has filed  
7 a Motion for Order: (1) Approving the Short Sale of Real Property of the Estate Free and  
8 Clear of Certain Liens Pursuant to Bankruptcy Code §§ 363(b)(1) and (f) (Short Sale)  
9 and Subject to Overbids, Combined With Notice of Bidding Procedures and Request for  
10 Approval of the Bidding Procedures Utilized; (2) Approving Asset Purchase Agreement  
11 in Connection with the Sale; (3) Approving Payment of Real Estate Commission; and (4)  
12 Granting Related Relief ("Sale Motion").

13 As set forth below, this is a **short sale** of the real property located at 49740  
14 Althea Court, La Quinta, California ("Property"). The secured lender on the Property,  
15 Wells Fargo Bank, N.A. ("Lender"), has agreed to reduce its loan balances<sup>1</sup> by an  
16 amount sufficient to permit the proceeds of the sale to pay the Lender's loan balances  
17 (as reduced), a carve-out to the Estate of \$20,400, real property taxes, brokerage  
18 commissions, closing and all other related costs<sup>2</sup>. **The Lender has required that the**  
19 **sale close by May 22, 2013.** In addition, the Trustee's real estate broker, Jan Higgins  
20 of Tarbell Realtors ("Broker"), has agreed to reduce her commission from 6% to 5%,  
21 with the other 1% to be paid to the Trustee on behalf of the Estate. **As such, the**  
22 **Estate will be receiving a total of \$25,500 for the sale of the Property.**

23 Based on good business reasons, including the current real estate market, the  
24 fact that the Property has been on the market for over fifteen months, the debts on the  
25 Property far exceeding the value of the Property and the Lender's requirement that the  
26 sale close by May 22, 2013, the Trustee is requesting that the Sale Motion be approved

27 <sup>1</sup> The Lender has two secured loans against the Property.

28 <sup>2</sup> Including but not limited to escrow charges, title charges, documentary transfer taxes.

1 as it is in the best interest of the creditors of this Estate. If this Sale Motion is not  
2 approved, there is a possibility that the Lender, whose obligations have been  
3 delinquent, could foreclose and the Property would be lost.

4 Therefore, the Trustee believes that good cause exists to grant the Sale Motion  
5 so the Trustee does not lose this favorable business opportunity.

## 6 **II. RELEVANT FACTS**

### 7 **A. Case Commencement**

8 The Debtors commenced this bankruptcy case under Chapter 7 by filing a  
9 Voluntary Petition on October 3, 2012 ("Petition Date"). Lynda T. Bui is the duly  
10 appointed, qualified and acting Chapter 7 trustee for the Estate.

### 11 **B. The Property**

12 Among the assets of the Estate is Property which is located in Riverside County  
13 at 49470 Althea Drive, La Quinta, CA. The Property is legally described as follows:<sup>3</sup>

14 All that certain real property situated in the County of  
15 Riverside, State of California, described as follows:

16 Lot 8 of Tract No. 30031, in the City of La Quinta, County of  
17 Riverside, State of California, as shown by Map on file in  
18 Book 332, Page(s) 1 through 3, of Maps, in the office of the  
19 County Recorder of said County.

20 EXCEPT therefrom all oil, gas, minerals, and other  
21 hydrocarbon substances lying below the surface of said  
22 land, but with no right of surface entry, as provided in deed  
23 recorded February 5, 1954 in Book 1552, Page 336 and  
24 modified by Deeds recorded January 29, 1957 in Book 2031,  
25 Pages 490 and 515 all Official Records.

26 Assessor's Parcel Number: 602-390-008

27 The Debtors' Bankruptcy Schedules A and D reflect the fair market value of the  
28 Property and the lien amounts encumbering the Property as follows:

<sup>3</sup> The legal description for the Property is believed to be accurate but may be corrected or updated by the title company in the transfer documents as necessary to complete the proposed sale transaction.

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Property	Schedule A Value	Schedule D Lien Amounts
Residential : 49470 Althea Drive La Quinta, CA ("Property")	\$550,000	Wells Fargo & Company 1st Trust Deed: \$604,000  Wells Fargo & Company, 2nd Trust Deed: \$113,202.34  Riverside County Treasurer and Tax Collector - Property Taxes: \$3,215.13 <sup>4</sup>  Total Liens: \$720,417.47

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

Upon the Trustee’s application (“Employment Application”) (docket number 39) and pursuant to Court order entered on February 14, 2013 (“Employment Order”) (docket number 61), the Trustee authorized to employ Jan Higgins of Tarbell Realtors as the Trustee’s real estate broker to assist the Trustee in the listing, marketing and sale of the Property. The Property was listed for sale at \$520,000.

Prior to the Petition Date, on or about January 21, 2012, the Debtors had also employed the Broker and marketed the Property for sale. As such, the Property has been listed for sale for over fifteen months.

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

The following chart sets forth the liens and encumbrances against the Property as detailed in the preliminary title report dated April 4, 2013, a copy of which is attached as **Exhibit 1** to the Declaration of Lynda T. Bui (“Bui Declaration”) annexed to the Sale Motion, and the proposed treatment of the liens and encumbrances through the sale:

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<sup>4</sup> The current title report on the Property indicates that the real property taxes have been paid.

<u>Creditor</u>	<u>Description</u>	<u>Estimated Amount Owing</u>	<u>Treatment of Lien Through the Sale</u>
Riverside County Treasurer and Tax Collector	Real property taxes	\$698.28	All outstanding real property taxes will be paid through escrow on the sale transaction.
Wells Fargo Bank, N.A.	First priority deed of trust listed on the Debtor's Schedule D as owing \$604,000.	\$604,000	This lien will be paid through escrow on the sale of the Property at the reduced amount agreed to by the Lender as described in the Lender Short Sale Approval Letter. 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 <b>not</b> attach to the sale proceeds.
Wells Fargo Bank, N.A.	Second priority deed of trust listed on the Debtor's Schedule D as owing \$113,202.34.	\$113,202.34	This lien will be paid through escrow on the sale of the Property at the reduced amount agreed to by the Lender as described in the Lender Short Sale Approval Letter. 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 <b>not</b> attach to the sale proceeds.

The Lender has agreed to reduce its loan balances by an amount sufficient to permit the proceeds of the sale to pay the Lender's loan balances (as reduced), real property taxes, brokerage commissions, closing costs and other monetary obligations the Purchase Agreement requires the Trustee on behalf of the Estate as the seller 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 Lender.

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

Attached as **Exhibit 2** 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 Counter Offers and related addendum (collectively, the "Purchase Agreement") for which the Trustee seeks Court approval.

1 A true and correct copy of the April 22, 2013 letter from the Lender approving the  
2 short sale of the Property ("Lender Short Sale Approval Letter") is attached as **Exhibit 3**  
3 to the Bui Declaration annexed to the Sale Motion.

4 In summary the terms of the sale of the Property and other details<sup>5</sup>, and the  
5 relief sought by the Sale Motion, are as follows (the Trustee is referred to at times as  
6 the "Seller" in the following summary):

8 Buyer:	Name: Michael Abeles and Susan Abeles Address: 3112 Mountain View Avenue, Los Angeles, CA 90066
9 Purchase Price:	\$510,000, subject to overbids.
10 Escrow Holder and 11 Escrow Closing 12 Date:	The escrow holder shall be A & A Escrow Services, 415 N Crescent Drive, Suite 320, Beverly Hills, CA 90210 Escrow is scheduled to close by May 22, 2013 pursuant to the requirement of the Lender.
13 Terms of Sale	The Property shall be sold on an as-is, where-is basis, without any warranties or representations, to the Buyer subject to the terms and conditions as set forth in the Purchase Agreement and the Lender Short Sale Approval Letter.  The Lender has agreed to reduce its loan balances by an amount sufficient to permit the proceeds of the sale to pay the Lender's loan balances (as reduced), real property taxes, brokerage commissions, closing costs and other monetary obligations the Purchase 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 Lender.  Cash to be paid by the Buyer at closing.

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26 <sup>5</sup> A summary of the Agreement's terms and highlights are discussed below, but the  
summary and discussion are not meant to be a complete review of every  
27 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  
28 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 herein.

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<p>Payments Through Escrow (including Real Estate Agent Commission)</p>	<ul style="list-style-type: none"> <li>• Outstanding real property taxes</li> <li>• 6% broker's commission, or \$30,600. Of the commission amount, the Trustee's broker (who is both the listing and selling broker), has agreed to reduce the commission to 5% (or \$25,500), with the other 1% (or \$5,100) of the commission to paid to the Estate to compensate the Estate inter alia for its efforts in connection with the sale of the Property.</li> <li>• All typical and customary costs of sale as are ordinary in the State of California to be paid by a seller of real estate (including title insurance and escrow costs)</li> <li>• \$20,400 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.</li> <li>• The balance of the remaining sale proceeds will be paid to the Lender.</li> </ul>
<p>Bankruptcy Court Approval</p>	<p>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.</p>
<p>Terms of Sale - Purchase Without Warranties</p>	<p>The Property shall be sold on an as-is, where-is basis, without any warranties or representations, to the Buyer, whatsoever and the transfer of the Property to the Buyer may be by a Bankruptcy Trustee's Deed or Quitclaim Deed.</p>
<p>Trustee's Liability</p>	<p>The Buyer acknowledges that the Trustee is acting in her official capacity only. No personal liability shall be sought or enforced against the Trustee with regard to the Agreement, including any addendums to the Agreement, the Property, the sale of the Property, or the physical condition of the Property. In the event that the Trustee fails or refuses to complete the transaction for any reason, then the limit of the Trustee's liability is only to return any money paid to the Trustee by the Buyer, without deduction. Prior to and after the closing of escrow, the United States Bankruptcy Court shall have and retain the sole and exclusive jurisdiction over the Property and the Agreement; and all disputes arising before and after closing shall be resolved in said Court. Further, the Trustee has agreed that if a dispute arises, such dispute may initially be resolved through the Mediation Program pending in the United States Bankruptcy Court for the Central District of California.</p>

1 2 3 4 5 6 7 8 9	Hold Harmless	The Buyer understands the terms and conditions of the entire purchase contract and holds the Estate and the realtors, brokers, agents, Lynda T. Bui, Trustee, and her attorneys, agents and employees, harmless from any liabilities arising from this contact. All parties hereto further agree, jointly and severally, to pay on demand as well as to indemnify and hold Escrow harmless from and against all costs, damages, judgments, attorneys' fees, expenses, obligations and liabilities of any kind or nature which in good faith, Escrow may incur or sustain in connection with or arising out of this Escrow and Escrow is hereby given a lien upon all the rights, titles and interest of each of the undersigned in all escrow papers and other property and monies deposited in this escrow, to protect the rights of escrow and to indemnify and reimburse Escrow under this Addendum. In the event this Escrow is not completed for any reason, Escrow is authorized to deduct and pay its fee, plus costs incurred from any funds on deposit.
10 11 12	Jurisdiction of the Bankruptcy Court	Any and all disputes which involve in any manner the Estate or Lynda T. Bui, Trustee, arising from the Purchase Agreement and/or its addendums or relating in any manner to the Property, shall be resolved only in the United States Bankruptcy Court, Central District of California.
13	Sale Subject is Overbidding	The sale of the Property is subject to the Bidding Procedures described below.
14 15 16 17 18	Outstanding Real Property Taxes	To be paid by through escrow. 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. The sale shall be free and clear of any and all real property taxes (other than those prorated as provided above) enforceable against the Property through the closing date of the sale.
19 20 21	Free and Clear of Liens and Encumbrances	The Property shall be delivered to the Buyer free and clear of all liens and encumbrances. Any liens and interests against the Property that are not paid in full through escrow shall attach to the residual sale proceeds, if any, (but excluding the Carve-Out Amount) 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.
22 23 24 25	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.
26 27 28	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.

1 **F. Notice of Bidding Procedures**

2 The Trustee has determined that it would benefit the Estate to permit all  
3 interested parties to receive information and bid for the Property instead of selling the  
4 Property to the Buyer on an exclusive basis. Accordingly, in order to obtain the highest  
5 and best offer for the benefit of the creditors of this Estate, the Trustee also seeks Court  
6 approval of the following bidding procedures ("Bidding Procedures"):

7 1. Potential overbidders must bid an initial amount of at least \$10,000 over  
8 the Purchase Price, or \$520,000. Minimum bid increments thereafter shall be \$2,000.  
9 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.

10 2. Overbids must be in writing and be received by the Trustee and the  
11 Trustee's counsel, Shulman Hodges & Bastian LLP to the attention of Lynda T. Bui on  
or before **4:00 p.m. (California time) on the date which is three days prior to the  
hearing on the Sale Motion.**

12 3. Overbids must be accompanied by certified funds in an amount equal to  
13 three percent (3%) of the overbid purchase price.

14 4. The overbidder must also provide evidence of having sufficient specifically  
15 committed funds to complete the transaction or a lending commitment for the bid  
16 amount and 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.

17 5. The overbidder must seek to acquire the Property on terms and conditions  
18 not less favorable to the Estate than the terms and conditions to which the Buyer has  
19 agreed to purchase the Property as set forth in the Purchase Agreement attached as  
**Exhibit 2** to the Bui Declaration annexed to the Sale Motion including closing on the  
sale of the Property in the same time parameters as the Buyer.

20 6. All competing bids must acknowledge that the Property is being sold on an  
21 "AS IS" basis without warranties of any kind, expressed or implied, being given by the  
22 Seller, concerning the condition of the Property or the quality of the title thereto, or any  
23 other matters relating to the Property. The competing bid buyer must represent and  
24 warrant that he/she is purchasing the Property as a result of their own investigations  
25 and are not buying the Property pursuant to any representation made by any broker,  
26 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.

27 7. If overbids are received, the final bidding round for the Property shall be  
28 held at the hearing on the Sale Motion in order to allow all potential bidders the  
opportunity to overbid 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

1 Court approval, accept the bidder who has made the highest and best offer to purchase  
2 the Property, consistent with the Bidding Procedures ("Successful Bidder").

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

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

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

## 19 **G. The Basis for the Value of the Property**

20 The Trustee's Broker reviewed the Property and believed that the Debtors' value  
21 of \$550,000 for the Property may be high.

22 The Broker proposed that the Property be listed for sale at \$520,000, and if no  
23 buyer was found, the Property listing price would be adjusted.

24 The Broker has more than ten years of experience in the sale of real property as  
25 well as property valuations and is familiar with valuing real property in today's economic  
26 environment.

27 In addition, it should be noted that the water, electricity and gas at the Property  
28 have been shut off since October 31, 2012. The residence, including the pool and  
29 landscaping at the Property have been deteriorating since the Property has been vacant  
30 for past twelve months, greatly impacting the reduced value of the Property.

## 31 **H. Marketing of the Property**

32 The Debtors had employed the Broker prior to the Petition Date and the Broker  
33 has been marketing the Property for sale since January, 2012. The marketing has  
34 included the following activities:

- 35 • A Property information package was prepared and posted on the  
36 Broker's website.

- 1                   • The Property was listed on the Multiple Listing Service for publication  
2                   on the Internet and related subscriber websites.

3                   As set forth in the Declaration of Jan Higgins filed in support of the Sale Motion,  
4 the following is a chronological history of the marketing and offers received on the  
5 Property:

- 6                   • The Debtors signed a listing agreement with the Broker on January  
7                   21, 2012 and listed the Property for sale at \$580,000
- 8                   • An offer for \$537,000 was received on February 16, 2012 from Don  
9                   and & Yvonne Merritt. Wells Fargo countered back at \$580,000 at  
10                  which time these proposed buyers withdrew their offer.
- 11                  • The Property was placed back on the market on April 8, 2012 at a  
12                  listing price \$580,000.
- 13                  • An offer for \$545,000 was received on May 10, 2012 from Bret and  
14                  Sherri McAaleer. Wells Fargo countered back at \$560,000 on May 29,  
15                  2012. These proposed buyers could not qualify for a loan and escrow  
16                  was canceled on August 31, 2012.
- 17                  • A back-up offer of \$520,000 was received on August 10, 2012 from  
18                  the Buyers herein, Mike and Susan Abeles. Wells Fargo Approved the  
19                  short sale for \$520,000 and escrow was opened on September 11,  
20                  2012. The Debtors filed their Chapter 7 bankruptcy petition and  
21                  escrow was cancelled on October 31, 2012.
- 22                  • The Trustee employed the Broker in December 2012, and listed the  
23                  Property for sale at \$520,000.
- 24                  • The offer of \$510,000 from the Buyers herein that is the subject of this  
25                  Motion was received on December 13, 2012. Wells Fargo approved  
26                  the sale price of \$510,000. The Trustee received the Lender Short  
27                  Sale Approval Letter on April 22, 2013.

22 **I. Overbids**

23                  The offer from the Buyer is the only offer that has been received by the Trustee  
24 for the Property. The Property has been extensively marketed and it appears that there  
25 are no viable alternative buyers for the Property other than any potential bidders that  
26 may be obtained through the Bidding Procedures proposed by the Trustee.

1 **J. Costs of Sale**

2 The Broker, who is both the listing and selling agent, is entitled to a commission  
3 on the sale in the amount not to exceed 6% of the purchase price, or \$30,600. The  
4 Broker has agreed to reduce the commission to 5%, with the other 1% of the  
5 commission to be paid to the Estate to compensate the Estate inter alia for its efforts in  
6 connection with the sale of the Property. As such the real estate commission shall be  
7 paid out as follows: the Broker will receive \$25,500 and the Trustee on behalf of the  
8 Estate will receive \$5,100.

9 Escrow fees shall be split between Buyer and Estate as the seller in the manner  
10 customary in Riverside County, California where the Property is located.

11 This will be a short sale approved by the Lender. The Lender has agreed to  
12 reduce its loan balances by an amount sufficient to permit the proceeds of the sale to  
13 pay the Lender's loan balances (as reduced), real property taxes, brokerage  
14 commissions, closing costs and other monetary obligations the Purchase Agreement  
15 requires the Trustee on behalf of the Estate as the seller of the Property to pay at the  
16 close of escrow (including but not limited to escrow charges, title charges, documentary  
17 transfer taxes) without requiring the Estate to place any funds into escrow or have any  
18 continuing obligation to the Lender.

19 **K. Tax Consequences**

20 This is a short sale. The sale will be for less than the Debtors' original purchase  
21 price and improvement costs attributed to the Property. It is anticipated that there will  
22 be no tax liability generated from the sale.

23 **L. The Sale Will Be Free and Clear of Liens**

24 This is a short sale approved by the Lender who has agreed to accept payment  
25 from the sale in an amount that is less than its liens encumbering the Property. The  
26 Property will be sold free and clear of all liens and encumbrances impacting the  
27 Property.

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1 The Property shall be delivered to the Buyer free and clear of all liens and  
2 encumbrances. Out of an abundance of caution, any liens and interests against the  
3 Property that are not paid resolved through escrow shall attach to the residual sale  
4 proceeds, if any, (but excluding the Lender carve-out amount of \$20,400 and the Broker  
5 carve-out amount of \$5,100) that may be generated through the sale with the same  
6 force, effect, validity, and priority as such liens or interests had with respect to the  
7 Property prior to the sale.

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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*) **April 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:

- **Bradley S Beherns** **ecfcacb@piteduncan.com** *Request for NEF*
- **Lynda T. Bui (TR)** **trustee.bui@shbllp.com, C115@ecfcbis.com** *Chapter 7 Trustee*
- **Laleh Ensafi** **lensafi@yahoo.com, Cmartin@pralc.com** *Attorney for CarMax Auto Finance*
- **Dhruv M Sharma** **ecfcacb@piteduncan.com** *Attorneys for Wells Fargo Bank*
- **United States Trustee (RS)** **ustpregion16.rs.ecf@usdoj.gov** *U.S. Trustee*
- **Gilbert B Weisman** **notices@becket-lee.com** *Attorneys for American Express Bank FSB*
- **Marc Weitz** **marcweitz@weitzlegal.com** *Attorney for the Debtors*

Service information continued on attached page

**2. SERVED BY UNITED STATES MAIL:**

On (*date*) **April 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*) **April 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**

**Honorable Mark Houle, US Bankruptcy Court, 3420 Twelfth St, Bin Outside Courtroom 303, 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.

**April 24 , 2013**

*Date*

**Lorre Clapp**

*Printed Name*

**/s/ Lorre Clapp**

*Signature*

**U.S. MAIL SERVICE LIST**

**Listing and Selling Broker**

Jan Higgins  
Tarbell, Realtors  
78297 Highway 111  
La Quinta, CA 92253

**Buyers**

Michael Abeles and Susan Abeles  
3112 Mountain View Avenue  
Los Angeles, CA 90066

**Lender**

Wells Fargo Bank NA  
101 North Phillips Avenue  
Sioux Falls, SD 57104

Wells Fargo Bank NA  
Attention: Liquidations  
X2302-044  
One Home Campus  
Des Moines, IA 50328

**SERVICE LIST CONTINUED ON ATTACHED**

**U.S. MAIL SERVICE LIST – CONTINUED**

**DEBTOR**

JESSE QUIJANO JR.  
520 NEWPORT CIRCLE  
CORONA, CA 92881-8435

**DEBTOR**

LISA QUIJANO  
520 NEWPORT CIRCLE  
CORONA, CA 92881-8435

**ATTORNEY FOR THE DEBTORS**

MARC WEITZ  
LAW OFFICE OF MARC WEITZ  
633 W 5TH ST, STE 2800  
LOS ANGELES, CA 90071

**INTERESTED PARTY**

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

**COURT NOTICE MATRIX**

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

**COURT NOTICE MATRIX**

CARMAX AUTO FINANCE  
225 CHASTAIN MEADOWS COURT  
KENNESAW, GA 30144-5942

**COURT NOTICE MATRIX**

ALLY BANK  
CSC  
2710 GATEWAY OAKS DR., STE 150N  
SACRAMENTO, CA 95833

**COURT NOTICE MATRIX**

AMERICAN EXPRESS COMPANY  
CT CORP  
818 WEST 7TH STREET  
LOS ANGELES, CA 90017

**COURT NOTICE MATRIX**

BANK OF AMERICA CORP  
818 WEST 7TH STREET  
LOS ANGELES, CA 90017

**COURT NOTICE MATRIX**

CARMAX AUTO SUPERSTORES WEST  
COAST,  
CSC  
2710 GATEWAY OAKS DR., STE 150N  
SACRAMENTO, CA 95833

**COURT NOTICE MATRIX**

COACHELLA VALLEY WATER DISTRICT  
PO BOX 5000  
COACHELLA, CA 92236

**COURT NOTICE MATRIX**

COACHELLA VALLEY WATER DISTRICT  
POB 1058  
COACHELLA, CA 92236-1058

**COURT NOTICE MATRIX**

DISCOVER BANK  
818 WEST 7TH STREET  
LOS ANGELES, CA 90017

**COURT NOTICE MATRIX**

DISCOVER BANK  
DB SERVICING CORPORATION  
PO BOX 3025  
NEW ALBANY, OH 43054-3025

**COURT NOTICE MATRIX**

DISNEY VACATION DEVELOPMENT, INC.  
1375 BUENA VISTA DRIVE, 4FL NORTH  
LAKE BUENA VISTA, FL 32830

**COURT NOTICE MATRIX**

EASTERN MUNICIPAL WATER DISTRICT  
PO BOX 8300  
PERRIS, CA 92572

**COURT NOTICE MATRIX**

FIA CARD SERVICES NA  
4161 PIDEMONT PARKWAY  
NC4 105 03 14  
GREENSBORO, NC 27410

**COURT NOTICE MATRIX**

GMAC MORTGAGE USA CORPORATION  
CSC  
2710 GATEWAY OAKS DR, STE 150N  
SACRAMENTO, CA 95833

**COURT NOTICE MATRIX**

GATESTONE & CO. INTERNATIONAL,  
INC.  
1000 N. WEST ST., STE 1200  
WILMINGTON, DE 19801

**COURT NOTICE MATRIX**

IMPERIAL IRRIGATION DISTRICT  
333 EAST BARIONI BOULEVARD  
IMPERIAL, CA 92251

**COURT NOTICE MATRIX**

IMPERIAL IRRIGATION DISTRICT  
PO BOX 937  
IMPERIAL, CA 92251-0937

**COURT NOTICE MATRIX**

KAISER FOUNDATION HEALTH PLAN  
PO BOX 23758  
SAN DIEGO, CA 92193

**COURT NOTICE MATRIX**

PERSONALIZED PROPERTY MANAGEMENT  
68950 ADELINA RD.  
CATHEDRAL CITY, CA 92234

**COURT NOTICE MATRIX**

RAUN SINGLETON  
3402 FAYANCE PLACE  
THOUSAND OAKS, CA 91362

**COURT NOTICE MATRIX**

RIVERSIDE COUNTY TREASURER  
4080 LEMON ST., 1ST FLOOR  
RIVERSIDE, CA 92502-2205

**COURT NOTICE MATRIX**

SUNRUN SOLAR  
PO BOX 511612  
LOS ANGELES, CA 90051-8167

**COURT NOTICE MATRIX**

THE BMR GROUP  
850 E. PARKRIDGE ST., STE 103  
CORONA, CA 92879

**COURT NOTICE MATRIX**

TOMAS IBARRA  
51985 AVE BERMUDA  
LA QUINTA, CA 92253

**COURT NOTICE MATRIX**

WELLS FARGO & COMPANY  
2730 GATEWAY OAKS DR., STE 100  
SACRAMENTO, CA 95833

**NOTICE PURPOSES**

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

**NOTICE PURPOSES**

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

RETURNED MAIL

**NO ADDRESS**

**COURT NOTICE MATRIX**  
WELLS FARGO BANK, NA

**SEE CHANGE OF ADDRESS 2/5/2013**

**DEBTOR**

JESSE QUIJANO JR.  
630 GREGORY CIRCLE  
CORONA, CA 92881

**SEE CHANGE OF ADDRESS 2/5/2013**

**DEBTOR**

LISA QUIJANO  
630 GREGORY CIRCLE  
CORONA, CA 92881