

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: ROBERT SMITH, aka Robert William Smith, aka Debtor(s).	CASE NO.: 6:12-bk-36496-WJ CHAPTER: 7 <p style="text-align: center;">NOTICE OF SALE OF ESTATE PROPERTY</p>
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Bids due by 1/7/2014 at 4:00 p.m.

Sale Date: Final Bidding Round 1/17/2014 at 9:30 a.m. Court Hearing 1/21/2014 at 10:30 a.m.	Time:
Location: See Attached.	

Type of Sale: Public Private **Last date to file objections:** 01/14/2014

Description of property to be sold: Real Property located at 4126 Highland Place, Riverside, CA 92506

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 \$248,948.35, which includes (1) a bankruptcy fee "carve-out" of \$15,000 to be paid to the Estate, (2) real property taxes, (3) brokerage commission, (4) closing costs, and
(5) other monetary obligations the Estate as seller would normally pay at closing.
See attached for more information.

Proposed sale price: \$ 248,948.35

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 1/7/2014 at 4:00 pm., and Final Biding Round to be held on 1/17/2014 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:

January 21, 2014 at 10:30 a.m.

Courtroom 301

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: 12/04/2013

1 **In re Robert Smith**
2 **Case No. 6:12-bk-36496-WJ**

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

4 **I. INTRODUCTION**

5 Lynda Bui, the Chapter 7 trustee ("Trustee") for the bankruptcy estate ("Estate")
6 of Robert Smith, aka Robert William Smith, aka Robert W. Smith ("Debtor"), has filed a
7 Motion for Order: (1) Authorizing the Short Sale of Real Property of the Estate, to the
8 Highest Bidder, Free and Clear of Liens Pursuant to Bankruptcy Code §§ 363(b) and (f),
9 Combined With Notice of Bidding Procedures to Be Conducted Prior to the Court
10 Hearing and Request for Approval of Bidding Procedures Utilized; (2) Approving
11 Payment of Real Estate Commission; and (3) Granting Related Relief Including Use of
12 Sale Proceeds to Reimburse Trustee for 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 17, 2014 at 9:30 a.m.** as set forth below, this is a
15 **short sale** of real property located at 4126 Highland Place, Riverside, CA 92506
16 ("Property"). The Trustee proposes to conduct the short sale free and clear of liens
17 under Bankruptcy Code sections 363(f)(1), (2) and (5).¹

18 The Trustee has received an offer from Helvetica REO Investors XV, LLC
19 ("Buyer") to purchase the Property free and clear of all liens for total consideration of
20 \$248,948.35, which includes a discounted payoff to the senior lienholder² of
21 \$208,772.95, a discounted payoff to the junior lienholder of \$2,000 (which payments
22 have been approved by the senior lienholder), a bankruptcy fee "carve-out" of \$15,000
23 to be paid to the Estate, a bankruptcy document preparation fee to be paid to the Estate

24 _____
25 ¹ The Preliminary Title Report indicates that the Property is held in the name of the Debtor
26 and his non-debtor spouse, Sherrill A. Tinder. The Trustee is advised that the Debtor and Ms.
27 Tinder are separated and currently are involved in divorce proceedings. The Trustee is advised
28 that the Debtor and Ms. Tinder will not be opposing the Sale Motion and want the Trustee to
proceed with the short sale so that they do not have a foreclosure on their records, making it
easier to purchase another home later in life.

² As set forth below, the preliminary title report on the Property indicates Beneficial/HSBC
is the senior lienholder and CitiFinancial is the junior lienholder.

1 of \$1,000, and numerous other costs.³ This is a true short sale as the total
2 consideration is less than the total amount owed to the senior lienholder.

3 **As set forth in the Declaration of Lynda T. Bui (“Bui Declaration”), the short**
4 **sale and discounted payoff amounts have been approved by the senior lienholder**
5 **Beneficial/HSBC (“Beneficial”). The junior lienholder, CitiFinancial, approved a**
6 **discounted payoff of \$4,000 but senior lienholder, Beneficial, has only approved**
7 **payment of \$2,000 to CitiFinancial. To the extent that the total consideration is**
8 **increased by overbid, the Trustee believes that the senior lienholder will agree to**
9 **an increased payoff to the junior lienholder. Notwithstanding, the Trustee**
10 **believes that the junior and senior lienholders will come to an agreement by the**
11 **closing of the sale.** Based on this, the Trustee believes that the two lienholders will
12 have no objection to the Sale Motion. The Trustee understands (and is customary in
13 the short sale industry) that at closing, the senior lienholder may want to change and/or
14 negotiate the final allowed or disallowed costs and/or the final payoff to the lender.
15 Provided that the Estate receives the \$15,000 carve-out at closing (or an amount as
16 increased by any overbid), the Trustee requests authorization to work with and agree
17 with the senior lienholder to resolve the allowance and disallowance of costs and/or
18 payoff amounts as part of the escrow closing without the need for further notice, hearing
19 or Court order. With the senior lienholder payoff increasing every month, the Trustee
20 believes that the sale must not be delayed and the Property must be sold as soon as
21 possible in order to maximize the benefit for the Estate.

22 If this Sale Motion is not approved, any and all benefit to the Estate will be
23 completely lost as it is likely that the senior lienholder will foreclose on the Property on
24 account of its underwater status and the delinquent obligations. As will be discussed
25 further below, the Trustee believes that good cause exists to grant the Sale Motion so
26 the Trustee does not lose this favorable business opportunity.

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28 ³ Including but not limited to escrow charges, title charges, documentary transfer taxes.

1 **II. RELEVANT FACTS**

2 **A. Case Commencement**

3 The Debtor commenced his bankruptcy case under Chapter 7 by filing a Petition
4 on November 30, 2012.

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

7 **B. The Property**

8 An "asset"⁴ of the Estate is the Debtor' interest in the Property located at 4126
9 Highland Place, Riverside, CA 92506 (Riverside County). The Property is legally
10 described as stated in the Preliminary Title Report dated October 10, 2013, a true and
11 correct copy of which is attached as Exhibit 1 to the Declaration of Lynda T. Bui
12 annexed to the Sale Motion ("Bui Declaration").

13 The Preliminary Title Report indicates that the Property is held in the name of the
14 Debtor and his non-debtor spouse, Sherrill A. Tinder. The Trustee is advised that the
15 Debtor and Ms. Tinder are separated and currently are involved in divorce proceedings.
16 The Trustee is advised that the Debtor and Ms. Tinder will not be opposing the Sale
17 Motion and want the Trustee to proceed with the short sale so that they do not have a
18 foreclosure on their records, making it easier to purchase another home later in life.

19 In his Schedules, the Debtor valued the Property at \$215,000 and listed a senior
20 lien of \$284,142 in favor of Beneficial and a junior lien of \$40,476, in favor of
21 CitiFinancial. The Debtor did not claimed an exemption in the Property. True and
22 correct copies of the Debtor's Schedules A, C and D are attached as Exhibit 2 to the Bui
23 Declaration annexed to the Sale Motion.

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

25 On February 15, 2013, the Trustee filed an application to employ Kristian Peter of
26 San Diego REO as her real estate broker ("Broker") ("Employment Application") (docket

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28 ⁴ 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 number 15) to assist her with effectively listing and marketing the Property for sale, as
2 well as negotiating a short sale with the secured lenders and sale price to prospective
3 buyers to provide a benefit to the Estate. The listing agreement called for real estate
4 commission to be paid of six percent of the sale price (includes fees for short sale
5 negotiation). The Employment Application was approved pursuant to Court order
6 entered on March 25, 2013 (docket number 22).

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

8 The Broker has more than ten years of experience in the sale of real property as
9 well as property valuations and is familiar with valuing real property in today's economic
10 environment. The Broker listed the Property on the MLS for \$257,979.

11 From his over ten years of experience with short sales, the Broker is aware that
12 the lenders will often obtain their own appraisals or otherwise determine the fair market
13 value of the subject real property before approving the short sale. It is also not
14 uncommon for lenders to counter with the price they obtained the appraisal for if it is
15 higher than the offer price. In this case, as set forth in the Declaration of Kristian Peter,
16 the short sale discounted payoff amount of \$208,772.95 for senior lienholder Beneficial
17 has been approved by the lienholder. As such, the Broker believes that the senior
18 lienholder has obtained its own appraisal of the Property – and already determined the
19 fair market value – before approving the short sale herein.

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

21 The Property has been on the market for over ten months. Following the listing
22 of the Property for sale on the MLS, realtors and potential buyers were encouraged to
23 present all offers. There were at least fourteen inquiries and at least two offers. The
24 Broker reviewed all initial purchase offers for the Property. Following the review of the
25 multiple offers, the Broker sent out requests to all interested parties and/or their agents
26 to submit the highest and best bids for the Property. The Buyer's offer is the highest
27 and best offer received by the Trustee following the Broker's bidding process.

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

From the Debtor's Schedules and the Preliminary Title Report the Trustee believes that the total liens against the Property exceed \$324,618. The following chart sets forth and accounts for all of the recorded liens and encumbrances against the Property described in the Preliminary Title Report and their proposed treatment through the sale:

<u>Creditor</u>	<u>Description</u>	<u>Estimated Amount Owed</u>	<u>Proposed Payout Amount</u>	<u>Treatment of Lien Through the Sale</u>
Riverside Treasurer and Tax Collector	Real property taxes	\$4,168.40 (estimated)	\$1,006.10	All outstanding real property taxes will be paid in full through escrow on the sale transaction
Beneficial	Current beneficiary of a first priority deed of trust recorded December 22, 2006, recording number 2006-0938227. Listed in the Debtors' Schedules as being owed \$284,142.	\$284,142	\$208,772.95	This lien will be paid through escrow on the sale of the Property in the amount approved by Beneficial. 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.

<u>Creditor</u>	<u>Description</u>	<u>Estimated Amount Owed</u>	<u>Proposed Payout Amount</u>	<u>Treatment of Lien Through the Sale</u>
CitiFinancial	Current beneficiary of a second priority deed of trust recorded June 25, 2007, recording number 2007-0411946. Listed in the Debtors' Schedules as being owed \$40,476.	\$40,476	\$2,000	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 amount and reimbursement for bankruptcy document preparation fees.)

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 \$248,948.35, which includes a bankruptcy fee “carve-out” of \$15,000 to be paid to the Estate, a \$1,000 bankruptcy document preparation to be paid to the Estate, and all 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 3 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 4 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.

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

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

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4	Buyer:	Helvetica REO Investors XV LLC 5927 Balfour Court, Suite 208 Carlsbad, CA 92008
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6	Purchase Price:	Purchase price of \$230,000. In addition, the Buyer will pay sufficient 7 funds to provide for (1) a bankruptcy fee "carve-out" of \$15,000 to be 8 paid to the Estate, (2) a bankruptcy document preparation fee of 9 \$1,000 to be paid to the Estate, (3) real property taxes, (5) brokerage 10 commissions, (6) closing costs, and (7) other monetary obligations the 11 Agreement requires the Trustee on behalf of the Estate as the seller of 12 the Property to pay at the close of escrow (including but not limited to 13 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 \$248,948.35.
14	Escrow Holder and 15 Escrow Closing 16 Date:	The escrow holder shall be First California Escrow, 1110 Camino Del 17 Mar, Suite G, Del Mar, CA 92104. Escrow is scheduled to close as 18 soon as possible after Court approval of the sale.
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28 ⁶ The summary and discussion are not meant to be a complete review of every provision of the Agreement.

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<p>Costs of Sale and Payments Through Escrow (including Real Estate Agent Commission)⁷</p>	<ul style="list-style-type: none"> • Outstanding real property taxes shall be paid.⁸ • \$208,772.95 to Beneficial in full satisfaction of the first priority lien. • \$2,000 to CitiFinancial in full satisfaction of the second priority lien. • 5% broker's commission, or \$11,500, to be split between the Trustee's Broker and the Buyer's real estate broker as follows: Trustee's Broker, Kristin Peter of San Diego REO Specialists in the amount of \$6,900, and Buyer's real estate broker, Nick Emerson of Capital Vantage REI, Inc. in the amount of \$4,600. • \$15,000 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. • \$1,000 bankruptcy document preparation fee to be paid to the Estate. • 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 the senior lienholder Beneficial. However, if the sale of the Property closes on a successful overbid, subject to Court and lender approvals, the lender and the Trustee will split the excess net sale proceeds beyond that of the Buyer's purchase offer.
<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>Final Approval From Lender</p>	<p>Except for the carve-out to the Estate, all other costs are subject to final acceptance and approval by senior lienholder Beneficial.</p>

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.

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<p>Terms of Sale - Purchase Without 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 Debtors, their attorneys, agents and employees, the Estate, Lynda 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>Terms of Sale - Free and Clear of Liens and 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) 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>Terms of Sale - Good 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>Terms of Sale - Waiver 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>

H. Tax Consequences

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

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

3 To ensure that the Estate and the senior lienholder receive the most value for the
4 Property, the Trustee seeks approval of and will be utilizing the following reasonable
5 and comprehensive bidding procedures (“Bidding Procedures”):

6 1. **Qualified Bidders and Bid Deadline.**

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

8 • Submit in writing and be received by the Trustee to the attention of Lynda
9 Bui on or before **4:00 p.m. (California time) January 7, 2014** the interested buyer’s
intent to participate in the overbidding process.

10 • Submit an overbid in writing of at least \$10,000 over the total
11 consideration offered by the Buyer, or a total of **\$258,948.35**. **The bid shall also be**
12 **without contingencies other than Bankruptcy Court approval for the sale. In**
other words, the Qualified Bidder shall have conducted its own inspection of the
Property.

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

15 • **The over bidder must also provide evidence of having sufficient**
specifically committed funds to complete the transaction or a lending
commitment for the bid 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.

18 2. **Bidding Terms and Final Bidding Round.**

19 • The initial bid price shall be at least \$10,000 over the total consideration
20 offered by the Buyer, or a total of **\$258,948.35**. Minimum bid increments thereafter shall
be \$2,000.

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

23 • All competing bids must acknowledge that the Property is being sold on an
24 “AS IS” basis without warranties of any kind, expressed or implied, being given by the
25 Seller, concerning the condition of the Property or the quality of the title thereto, or any
26 other matters relating to the Property. The competing bid buyer must represent and
27 warrant that he/she is purchasing the Property as a result of their own investigations
28 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
Debtors, their attorneys, agents and employees, the Estate, Lynda Bui as Trustee and

1 individually, and her attorneys, agents and employees, arising or which might otherwise
2 arise in the future concerning the Property.

3 • If overbids are received from one or more Qualified Bidders, in order to
4 allow all Qualified Bidders and Buyer to increase their bids, a final bidding round shall
5 be conducted by the Trustee or her agent on **January 17, 2014 at 9:30 A.M.**, at the law
6 offices of **Shulman Hodges & Bastian LLP** located at **8105 Irvine Center Drive, Suite**
7 **600, Irvine, CA 92618** ("Final Bidding Round").

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

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

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

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

• 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.

22 3. Court Approval of the Sale Transaction and Closing.

23 • At the hearing on the Sale Motion, the Trustee will seek entry of an order,
24 *inter alia*, authorizing and approving the sale of the Property to the Successful Bidder
25 and if applicable, approval of the bids received from the First Back-Up Bidder and
26 Second Back-Up Bidder.

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

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

1 to the Successful Bidder and the Trustee may then sell the Property to the First Back-
2 Up Bidder selected by the Trustee and approved by the Court at the hearing on the Sale
Motion.

3 • In the event First Back-Up Bidder fails to close on the sale of the Property
4 within the time parameters approved by the Court, the Trustee shall retain the First
5 Back-Up Bidder's deposit and will be released from her obligation to sell the Property to
6 the First Back-Up Bidder and the Trustee may then sell the Property to the Second
7 Back-Up Bidder selected by the Trustee and approved by the Court at the hearing on
8 the Sale Motion.

9 **Any questions regarding the Bidding Procedures should be directed to the**
10 **Trustee at 3750 University Ave, Suite 670, Riverside, CA 92501; telephone 949-**
11 **340-3400; facsimile 949-340-3000 or email at trustee.bui@shbllp.com.**

12 The Bidding Procedures are fair and intended to provide for a "level playing field"
13 for all prospective bidders. The Bidding Procedures establish a reasonable but
14 expeditious timeline for allowing the Trustee to give notice of the proposed sale and
15 qualified bidders to conduct reasonable due diligence and submit competing offers,
16 thereby potentially generating additional value for the Property. As such, the Bidding
17 Procedures should be approved.

18 Subject to Court and lender approvals, the lender and the Trustee will split the
19 excess net sale proceeds in the event the sale of the Property closes on a Successful
20 Bidder.

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 4, 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*
- **Dale Parham** wptmrv@4bankruptcy.com *Attorney for the Debtor*
- **United States Trustee (RS)** ustpreion16.rs.ecf@usdoj.gov *U.S. Trustee*

Service information continued on attached page

2. SERVED BY UNITED STATES MAIL:

On (*date*) **December 4, 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 4, 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, Hon Wayne 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 4, 2013

Date

Lorre Clapp

Printed Name

/s/ Lorre Clapp

Signature

U.S. MAIL SERVICE LIST

Buyer

Helvetica REO Investors XV LLC
Attn President or Managing Agent
5927 Balfour Court, Suite 208
Carlsbad, CA 92008

Buyer's Broker

Nick Emerson
Capital Vantage REI, Inc.
3655 Nobel Dr, Suite 650
San Diego, CA 82122

Trustee's Broker

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

Secured Party (First Priority Lien)

Beneficial
Member HSBC Group
Short Sale Department
636 Grand Regency Blvd
Brandon, FL 33510

Secured Party (Second Priority Lien)

CitiFinancial
Short Sale Department
6400 Las Colinas Blvd
Mail Stop – CC2-83
Irving, TX 75039

Secured Party

Riverside County Treasurer and Tax Collector
4080 Lemon Street
P O Box 12005
Riverside, CA 92502-2205

CONTINUED ON FOLLOWING PAGE

U.S. MAIL SERVICE LIST CONTINUED.

DEBTOR

ROBERT SMITH
6735 MAGNOLIA AVE
RIVERSIDE, CA 92506

COURT NOTICE MATRIX

SPRINGLEAF FINANCIAL SERVICES
PO BOX 3251
EVANSVILLE, IN 47731-3251

COURT NOTICE MATRIX

BRCLYSBANKDE
125 SOUTH WEST STR
WILMINGTON, DE 19801

COURT NOTICE MATRIX

CHASE
BANK ONE CARD SERV
WESTERVILLE, OH 43081

COURT NOTICE MATRIX

CREDIT PROTECTION ASSOCIATION,
L.P.
13355 NOEL ROAD
DALLAS, TX 75240

COURT NOTICE MATRIX

HFC - USA
POB 1547
CHESAPEAKE, VA 23327

COURT NOTICE MATRIX

MERRICK BANK
RESURGENT CAPITAL SERVICES
PO BOX 10368
GREENVILLE, SC 29603-0368

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SPRINGLEAF FINANCIAL SERVICES
PO BOX 3251
EVANSVILLE, IN 47731

COURT NOTICE MATRIX

TIME WARNER CABLE
PO BOX 9037
ADDISON, TX 75001

INTERESTED PARTY

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

COURT NOTICE MATRIX

AMER GEN FIN
6930 MAGNOLIA AVEN
RIVERSIDE, CA 92516

COURT NOTICE MATRIX

CAP ONE
POB 30281
SALT LAKE CITY, UT 84130

COURT NOTICE MATRIX

CHASE CARD SERVICES
201 NORTH WALNUT STREET
ATTN MARK PASCALE
MAIL STOP DE1-1406
WILMINGTON, DE 19801-2920

COURT NOTICE MATRIX

GE CAPITAL RETAIL BANK
PO BOX 965039
ORLANDO, FL 32896-5039

COURT NOTICE MATRIX

HSBC BANK
PO BOX 5253
CAROL STREAM, IL 60197

COURT NOTICE MATRIX

SHERRIL TINDER
4126 HIGHLAND PLACE
RIVERSIDE, CA 92506

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SPRINGLEAF FINANCIAL SERVICES
PO BOX 3251
EVANSVILLE, IN 47731-3251

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TRIBUTE/FBD
POB 105555
ATLANTA, GA 30348

COURT NOTICE MATRIX

ALLIANCE ONE
4850 STREET ROAD SUITE 300
FEASTERVILLE TREVOSSE, PA 19053

COURT NOTICE MATRIX

ASPIRE/CB&T
POB 105555
ATLANTA, GA 30348

COURT NOTICE MATRIX

CAPITAL MANAGEMENT SERVICES, LP
698 1/2 SOUTH OGDEN STREET
BUFFALO, NY 14206

COURT NOTICE MATRIX

CITI
POB 6241
SIOUX FALLS, SD 57117

COURT NOTICE MATRIX

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

COURT NOTICE MATRIX

MERRICK BK
POB 9201
OLD BETHPAGE, NY 11804

COURT NOTICE MATRIX

SHERRI A TINDER
POB 21195
RIVERSIDE, CA 92516

COURT NOTICE MATRIX

PYOD LLC ITS SUCCESSORS AND
ASSIGNS
AS ASSIGNEE OF SPRINGLEAF FINANCIAL
SERVICES INC
RESURGENT CAPITAL SERVICES
PO BOX 19008
GREENVILLE, SC 29602

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

COURT NOTICE MATRIX

JEFFERSON CAPITAL SYSTEMS LLC
PO BOX 7999
SAINT CLOUD, MN 56302-9617

NOT DELIVERABLE AS ADDRESSED

COURT NOTICE MATRIX

WASHMTL/PROV
PO BOX 9180
PLEASANTON, CA 94588

NOT DELIVERABLE AS ADDRESSED

COURT NOTICE MATRIX

CITIFINANCIAL
PO BOX 499
HANOVER, MD 21076

COURT NOTICE MATRIX

PYOD LLC ITS SUCCESSORS AND
ASSIGNS
AS ASSIGNEE OF SPRINGLEAF FINANCIAL
SERVICES INC
RESURGENT CAPITAL SERVICES
POB 19008
GREENVILLE, SC 29602

RETURNED MAIL

NOT DELIVERABLE AS ADDRESSED

COURT NOTICE MATRIX

CITIFINANCIA
PO BOX 499
HANOVER, MD 21076

NOT DELIVERABLE AS ADDRESSED

COURT NOTICE MATRIX

GEMBPBYCR
PO BOX 981400
EL PASO, TX 79998

COURT NOTICE MATRIX

PYOD LLC ITS SUCCESSORS AND
ASSIGNS
AS ASSIGNEE OF CITIBANK (SOUTH
DAKOTA NA)
RESURGENT CAPITAL SERVICES
POB 19008
GREENVILLE, SC 29602

FORWARD TIME EXP - SEE NEW ADDRESS

DEBTOR

ROBERT SMITH
4126 HIGHLAND PLACE
RIVERSIDE, CA 92506

NOT DELIVERABLE AS ADDRESSED

COURT NOTICE MATRIX

BENFCL/HFC
PO BOX 1547
CHESAPEAKE, VA 23327