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FILED & ENTERED

MAR 05 2015

CLERK U.S. BANKRUPTCY COURT
Central District of California
BY penning DEPUTY CLERK

CHANGES MADE BY COURT

UNITED STATES BANKRUPTCY COURT

CENTRAL DISTRICT OF CALIFORNIA

LOS ANGELES DIVISION

In re
NNN 1818 MARKET STREET 16, LLC, a
Delaware limited liability company,
Debtor.

Lead Case No. 2:15-bk-10111-TD

Chapter 11

Jointly Administered With:

Case No. 2:15-bk-10317-TD
Case No. 2:15-bk-10121-TD

In re
NNN 1818 MARKET STREET 21, LLC, a
Delaware limited liability company,
Debtor.

Adversary Case No. 2:15-ap-01013-TD

**ORDER REMANDING PROCEEDING
(INCLUDING ALL CLAIMS AND
CAUSES OF ACTION THEREIN) TO
STATE COURT**

In re
NNN 1818 MARKET STREET 37, LLC, a
Delaware limited liability company,
Debtor.

Date: February 25, 2015
Time: 2:00 p.m.

Courtroom 1345
Honorable Thomas B. Donovan

NNN 1818 MARKET STREET 16, LLC, a
Delaware limited liability company; NNN
1818 MARKET STREET 21, LLC, a
Delaware limited liability company; NNN
1818 MARKET STREET 37, LLC, a
Delaware limited liability company; GABOR
CSUPO, an individual; DANIEL PATRICK
O'KEEFE, individually and as trustee of the
O'KEEFE FAMILY TRUST dated February
27, 1997; JOHN RAY, an individual,

Plaintiffs,

1 v.

2 DAYMARK PROPERTIES REALTY, INC.
3 f/k/a NNN PROPERTIES, INC.; DAYMARK
4 REALTY ADVISORS, INC.; SOVEREIGN
5 CAPITAL MANAGEMENT GROUP, INC.;
6 TODD MIKLES, an individual; WILLIAM
7 WHITE, an individual; DOES 1-20, inclusive,

8 Defendants.

9 On May 15, 2014 NNN 1818 Market Street 16, LLC and other plaintiffs filed a complaint
10 in the Superior Court of the State of California County of Orange, commencing the action styled
11 *NNN 1818 Market Street 16, LLC, et al. v. Daymark Properties Realty, Inc., et al.*, Orange County
12 Superior Court Case No. 30-2014-00722965-CU-BC-CJC (the "State-Court Action"). The
13 complaint names as plaintiffs Daniel P. O'Keefe and Doris C. O'Keefe, individually and as trustees
14 of the O'Keefe Family Trust dated February 27, 1997, John Ray, Gabor Csupo, NNN 1818 Market
15 Street 16, LLC (the debtor in Case No. 15-bk-10111) ("NNN 16"), NNN 1818 Market Street 21,
16 LLC (the debtor in Case No. 15-bk-10317) ("NNN 21"), and NNN 1818 Market Street 37, LLC
17 (the debtor in Case No. 15-bk-10121) ("NNN 37"). The Complaint names as defendants Daymark
18 Properties Realty, Inc. Daymark Realty Advisors, Inc., Sovereign Capital Management Group.
19 Inc., Todd Mikles and William White.

20 On January 9, 2015, debtor NNN 16 filed with this Court a notice of removal of the State-
21 Court Action, and on January 15, 2015, NNN 16 filed a copy of the notice of removal with the
22 Superior Court. The filing of that copy with the Superior Court effected the removal of the State
23 Court Action, including all claims and causes of action therein, to this Court under 28 U.S.C.
24 § 1452(a) and Fed. R. Bankr. P. 9027(c). The removed action is referred to as the "Removed
25 Action."

26 On January 16, 2015, this Court entered an order to show cause with respect to the
27 Removed Action. The Non-Removing Parties and the debtors filed papers supporting and
28 opposing, respectively, remand of the Removed Action. In accordance with the order to show
cause, this Court held a status conference on February 25, 2015, 2:00 P.M., at which time the Court

1 considered whether to remand the Removed Action under 28 U.S.C. 1452(b).

2 The Court has considered the record in the jointly administered chapter 11 cases of
3 NNN 16, NNN 21, and NNN 37, including the motion filed by Daymark Properties Realty, Inc. to
4 dismiss the cases and all papers (including declarations) and argument offered in support of and
5 opposition to the motion, and the papers and argument offered in support of and opposition to
6 remand of the Removed Action. For the reasons stated on the record at the hearing and more fully
7 set forth in the Court's separately filed Findings of Fact and Conclusions of Law, the Court finds
8 and concludes that there are substantial and compelling equitable grounds for remand under 28
9 U.S.C. § 1452(b).

10 In light of the foregoing, THE COURT HEREBY ORDERS that the Removed Action be
11 remanded immediately to the Superior Court.

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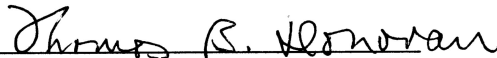
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23 Date: March 5, 2015


Thomas B. Donovan
United States Bankruptcy Judge

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