Attorney or Party Name, Address, Telephone & FAX Nos., State Bar No. & Email Address PHILIP A. GASTEIER (SBN 130043) JEFFREY S. KWONG (State Bar No. 288239) LEVENE, NEALE, BENDER, YOO & GOLUBCHIK L.L.P. 2818 La Cienega Avenue Los Angeles, California 90034 Telephone: (310) 229-1234 Facsimile: (310) 229-1244 Email: PAG@LNBYG.COM; JSK@LNBYG.COM	FOR COURT USE ONLY					
Attorney for: Edward M. Wolkowitz, Chapter 7 Trustee						
UNITED STATES BANKRUPTCY COURT CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES DIVISION						
In re:	CASE NO.: 2:21-bk-15007-BB					
	CHAPTER: 7					
PACIFIC THEATRES EXHIBITION CORP., et al.,						
X Affects Pacific Theatres Exhibition Corporation only	NOTICE OF SALE OF ESTATE PROPERTY					
Debtor(s).						
Sale Date: 04/03/2024	<b>Time:</b> 1:00 pm					
	· ·					
<b>Location:</b> Courtroom 1539, 255 East Temple Street, Los A	Arigeles, California 90012					
Type of Sale: Public Private Last date t	o file objections: 03/19/2024					
Description of property to be sold: Estate's right, title and interest in the general partnership known as El Capitan Theatre Company (the "Parnership Interest") subject to Agreement of General Partnership terms.						
Terms and conditions of sale: "As Is, Where Is, With All Faults" present condition, without representations or warranties of any kind or nature whatsoever whether express or implied.						
See attached Exhibit 1. Sale Agreement provided on request.						
Proposed sale price: \$ 25,000.00						
-						

#### Overbid procedure (if any):

See attached Exhibit 1.

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

DATE: April 3, 2024 TIME: 1:00 p.m.

PLACE: Courtroom "1539"

255 East Temple Street

Los Angeles, California 90012

See Court Procedures for appearance requirements.

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

PHILIP A. GASTEIER LEVENE, NEALE, BENDER, YOO & GOLUBCHIK L.L.P. 2818 La Cienega Avenue Los Angeles, CA 90034

Telephone: (310) 229-1234 Facsimile: (310) 229-1244 E-mail: pag@lnbyg.com

Date: 03/07/2024

Case 2:21-bk-15007-BB Doc 309 Filed 03/07/24 Entered 03/07/24 12:18:45 Desc

	Main Document Pa	age 3 of 14		
1 2 3 4 5 6 7 8	PHILIP A. GASTEIER (SBN 130043) JEFFREY S. KWONG (SBN 288239) LEVENE, NEALE, BENDER, YOO & GOLUE 2818 La Cienega Avenue Los Angeles, California 90034 Telephone: (310) 229-1234 Facsimile: (310) 229-1244 Email: PAG@LNBYG.COM; JSK@LNBYG.COM Attorneys for Edward M. Wolkowitz, Chapter 7 Trustee  UNITED STATES BA CENTRAL DISTRICATION LOS ANGELIA	NKRUPTCY COURT T OF CALIFORNIA		
9				
10	In re:	Chapter 7		
	PACIFIC THEATRES EXHIBITION CORP., et al.,	Lead Case No.: 2:21-bk-15007-BB		
11		Jointly administered with:		
12	Debtors and Debtors in Possession.	2:21-bk-15008-BB (Pacific Theatres Entertainment Corporation)		
13	☐ Affects all Debtors	2:21-bk-15009-BB (Pacific Cinemas		
14 15	□ Affects Pacific Theatres Exhibition Corporation only	Corporation) 2:21-bk-15010-BB (Glendale Americana Theatre, LLC)		
16 17	☐ Affects Pacific Theatres Entertainment Corporation	2:21-bk-15011-BB (ArcLight Cinema Company) 2:21-bk-15012-BB (ArcLight Visions, Inc.)		
18	☐ Affects Pacific Cinemas Corporation only	NOTICE OF HEARING ON CHAPTER 7 TRUSTEE'S MOTION FOR ENTRY OF		
19 20	☐ Affects Glendale Americana Theatre, LLC only	AN ORDER: (A) APPROVING SALE OF ESTATE'S RIGHT, TITLE, AND INTEREST IN EL CAPITAN GENERAL		
21	☐ Affects ArcLight Cinema Company only	PARTNERSHIP INTEREST, FREE AND CLEAR OF LIENS, CLAIMS, AND		
22	☐ Affects ArcLight Visions, Inc. only	INTERESTS; AND (B) APPROVING OVERBID PROCEDURES		
23				
24		DATE: April 3, 2024 TIME: 1:00 p.m. PST		
25		PLACE: Courtroom "1539" 255 East Temple Street		
26		Los Angeles, California 90012		
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28				

TO BANK OF AMERICA, N.A., AS ADMINISTRATIVE AGENT; CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION; LOS ANGELES COUNTY TAX COLLECTOR; US FOODS, INC.; WEST CENTRAL FOODS, INC.; THE OFFICE OF THE UNITED STATES TRUSTEE; PARTIES IN INTEREST; AND ALL PARTIES ENTITLED TO NOTICE:

## **PLEASE TAKE NOTICE** as follows:

- (A) Date, Time, and Place of Hearing on the Proposed Sale: April 3, 2024, at 1:00 p.m., in Courtroom 1539 of the United States Bankruptcy Court, located at 255 East Temple Street, Los Angeles, California 90012
- **(B)** Name and Address of Proposed Buyer: Buena Vista Theaters, Inc., a California corporation (or its designee, the "Buyer")
- (C) Description of Property to Be Sold: a 50% ownership interest in the general partnership known as El Capitan Theater Company (the "Partnership Interest"). The Debtor's Schedules of Assets and Liabilities reflect that the Debtor owns the Partnership Interest, which represents a 50% ownership interest in the general partnership known as El Capitan Theatre Company (the "Partnership"). The Buyer owns the remaining interest in the Partnership.

The Partnership holds a ground lease on the property known as the El Capitan Theatre, located in Los Angeles, California (the "Theatre"). The Theatre has been subleased to the Buyer for a term effectively coextensive with the term of the Partnership's ground lease, and the Buyer pays rent directly to the ground lease landlord. As a result of a 2019 settlement with a party related to the Buyer, the Partnership receives none of the revenue of the Theatre. The Buyer is also entitled to priority distributions from the Partnership as a result of improvements it has funded. Although it receives no revenue from the Partnership Interest, the Debtor has certain obligations under the Partnership Agreement, including the preparation of tax returns.

The Trustee previously proposed to abandon the Estate's interest in the Partnership Interest based on the circumstances. Subsequently, the Buyer offered to purchase the Partnership Interest from the Trustee, primarily as an administrative convenience. If the Trustee were instead to abandon the Partnership Interest, the Buyer would then be required to exercise

# (D) Terms and Conditions of the Proposed Sale<sup>1</sup>

- a. <u>Purchase Price</u>: The Buyer shall purchase the Partnership Interest free and clear of liens for the Purchase Price of \$25,000.00 (subject to overbid). The Purchase Price shall be paid by the Buyer to the Trustee at the closing of the sale in accordance with the *Agreement for Sale of Partnership Interest*, dated as of March 6, 2024 (the "<u>Agreement</u>"), a copy of which is attached to the Motion as Exhibit 1. In the event a party other than the Buyer is the winning overbidder for the Partnership Interest, such overbidder shall pay the balance of the overbid amount (taking into account any deposit delivered by such overbidder) to the Trustee at the closing of the sale.
- b. <u>Releases:</u> The Agreement contains mutual releases between the Debtor and the Estate, and the Buyer.
- c. <u>Provisions Applicable To Buyer</u>: The Agreement contains terms excusing compliance with restriction on transfer provisions contained in the General Partnership Agreement, which terms are applicable only to the Buyer. In light of the lack of revenue of the Partnership and the relationship of the Buyer, the Trustee does not believe these terms are unreasonable.
- d. <u>Payment Of Costs, Fees And Sales Or Transfer Taxes:</u> In addition to the Purchase Price, the Buyer shall bear and be solely responsible for the payment of any and all costs, fees, and sales or transfer taxes arising from the sale and transfer of the Partnership Interest, including, without limitation, escrow fees, recording fees and transfer fees. In addition to the Purchase Price and the foregoing costs, fees and taxes,

<sup>&</sup>lt;sup>1</sup> To the extent there is any conflict between the summary set forth herein and the Agreement, the Agreement shall control.

the Buyer shall bear and be solely responsible for the payment of any "finder's fee" or commission which the Buyer separately has agreed to pay.

- e. <u>Sale Subject To Overbid At Auction:</u> The sale of the Partnership Interest shall be subject to overbid, in accordance with the overbid procedures described below (the "Overbid Procedures"), at an auction of the Partnership Interest (the "Auction") to be conducted by the Trustee at the time of the hearing on this Motion ("Sale Hearing"), or as otherwise directed by the Court.
- f. <u>Closing of Escrow and Forfeiture of Deposits:</u> Escrow shall close upon issuance of the transfer of Partnership Interest to the Buyer (or a successful overbidder).
- **(E) Lien and Interests:** As described in the Motion, the Trustee is not aware of any valid liens, claims, or interests against the Partnership Interest. However, the Trustee seeks an order approving the sale free and clear of all liens, claims, and interests and is serving the Motion and this Notice on all parties with liens of record.

### (F) Overbid Procedures:

- a. <u>Overbid Requirements.</u> Any party interested in submitting an overbid for Partnership Interest ("<u>Overbid</u>") must, not later than three (3) business days before the scheduled date of the Sale Hearing as stated on the first page of this Notice (the "<u>Overbid Deadline</u>"), deliver such Overbid in writing to counsel for the Trustee (Philip A. Gasteier, Esq., Levene, Neale, Bender, Yoo & Golubchik L.L.P., 2818 La Cienega Avenue, Los Angeles, California 90034, Email: PAG@LNBYG.com, Facsimile: (310) 229-1244), in accordance with the requirements set forth below:
  - i. The purchase price for the Partnership Interest in any Overbid must be in the sum of at least \$30,000.00. Any Overbid must otherwise be on the same or better terms and conditions as set forth in the Agreement; provided that, any Overbid must acknowledge that the Purchase of the Partnership Interest (x) will be subject to the restriction on transfer provisions of the General Partnership Agreement, and (y) agree to indemnify and hold harmless the Trustee and the Estate for any post-petition claims which may be asserted by the Buyer.

- ii. Each party submitting an Overbid must, by the Overbid Deadline: (i) deliver a deposit in the sum of \$3,000 in the form of a cashier's check, to the Trustee, so that such deposit is actually received by the Overbid Deadline, and (ii) deliver to counsel for the Trustee proof of committed funds available to the bidder sufficient to enable such bidder to consummate the sale of the Partnership Interest, which proof shall be in the form of a letter of credit, loan commitment or other form acceptable to the Trustee in the Trustee's sole discretion. In the event that (i) the bidder fails to timely make the deposit, (ii) the bidder fails to timely provide proof of committed funds, or (iii) the Trustee determines, in his sole discretion, that the proof of funds provided to Trustee by a bidder is unacceptable, the Trustee may, at his sole discretion, disqualify such bidder from participating in the Auction. In the event that the Trustee exercises his discretion and disqualifies a bidder from participating in the Auction, the Deposit made by such bidder (if any) shall be returned to the bidder.
- b. <u>Bidding At Auction.</u> If at least one qualified bidder who has submitted an Overbid appears at the Auction, the Trustee shall designate what he determines, in his reasonable judgment, to be the best and highest Overbid received for the Partnership Interest to be the leading bid at the Auction. Thereafter, the Trustee shall solicit better and higher bids for the Partnership Interest, in bidding increments of at least \$5,000, from the qualified bidders participating in the Auction (including the Buyer, if it chooses to participate) until the best and highest bid for the Partnership Interest has been determined by the Trustee. The qualified bidder who submits the second best/highest bid for the Partnership Interest at the Auction shall be designated as the backup bidder.
- c. <u>Backup Bidder:</u> In the event that the Buyer or the successful overbidder cannot timely complete the purchase of the Partnership Interest, the Trustee shall be authorized to proceed with the sale of the Partnership Interest to the backup bidder (if one is designated at the Auction) without further notice, hearing, or order of the Court.

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I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is: 2818 La Cienega Avenue, Los Angeles, California 90034.

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A true and correct copy of the foregoing document entitled NOTICE OF HEARING ON CHAPTER 7 TRUSTEE'S MOTION FOR ENTRY OF AN ORDER: (A) APPROVING SALE OF ESTATE'S RIGHT, TITLE, AND INTEREST IN EL CAPITAN GENERAL PARTNERSHIP INTEREST, FREE AND CLEAR OF LIENS, CLAIMS, AND INTERESTS; AND (B) APPROVING OVERBID PROCEDURES 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:

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1. <u>TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF)</u>: Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On **March 7, 2024**, 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:

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- Kenechi R Agu kagu@kralegal.com
- Ryan W Anderson randerson@gamlaw.com, llofredo@gamlaw.com
- Shaun J Bauman info@thela-lawyer.com
- Erin N Brady erin.brady@hoganlovells.com, cindy.mitchell@hoganlovells.com;tracy.southwell@hoganlovells.com
- William S Brody wbrody@buchalter.com, dbodkin@buchalter.com;IFS\_filing@buchalter.com;smartin@buchalter.com
- Andrew Browning abrowning@Intlb.com
  - Vincent V Frounjian vvf.law@gmail.com
- Philip A Gasteier pag@Inbyg.com
  - David S Hagen davidhagenlaw@gmail.com

  - Brian D Huben hubenb@ballardspahr.com, carolod@ballardspahr.com
  - William W Huckins whuckins@allenmatkins.com, clynch@allenmatkins.com;igold@allenmatkins.com
    - Jeffrey Huron jhuron@dykema.com, ebailon@dykema.com;slara@dykema.com;DocketLA@dykema.com
    - Daniel King dking@theattorneygroup.com, r44432@notify.bestcase.com
    - Jeffrey S Kwong jsk@Inbyg.com, jsk@ecf.inforuptcy.com
- 20 Noreen A Madoyan Noreen.Madoyan@usdoj.gov
  - James P Menton jmenton@robinskaplan.com, LCastiglioni@robinskaplan.com
  - H. Jasmine Papian hjdlaw@yahoo.com, HJasminePapianEsq@jubileebk.net
  - Kristen N Pate bk@bpretail.com
  - William F Salle wfslaw@yahoo.com
    - Jeffrey L Sumpter jsumpter1@cox.net
- John N Tedford jtedford@DanningGill.com, danninggill@gmail.com;jtedford@ecf.courtdrive.com
  - United States Trustee (LA) ustpregion16.la.ecf@usdoj.gov
  - Abdul Wakil sal@sawlawgroup.com
- Edward M Wolkowitz (TR) emwtrustee@Inbyg.com, ecf.alert+Wolkowitz@titlexi.com

2627

2. <u>SERVED BY UNITED STATES MAIL</u>: On March 7, 2024, 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 <u>will be</u> <u>completed</u> no later than 24 hours after the document is filed.

Case	2:21-bk-15007-BB	Doc 309 Filed Main Docume		Entered 03/07/24 12:1 10 of 14	.8:45 Desc			
			J					
1	Honorable Sheri Bluebor United States Bankrupto							
2	255 E. Temple Street, St Los Angeles, CA 9001		om 1539					
3	2007 (190100)			Service List served b	y U.S. Mail attached			
4	2 OFFIVER BY BERGO	NAL DELIVEDY	OVEDNICHT	MAN FACCIMI F TRANCA	MICCION OR			
5	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,							
6	on <b>March 7, 2024</b> , 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							
7				laration that personal delive s after the document is filed.				
8	None.							
9	I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.							
10	March 7, 2024	D. Woo		/s/ D. Woo				
11	Date	Type Name		Signature				
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	This form is mandatory. It has	s been approved for use	e by the United St	rates Bankruptcy Court for the Cent	tral District of California			

BANK OF AMERICA, N.A., AS ADMINISTRATIVE AGENT 555 S. Flower Street,  $11^{\rm th}$  Floor Los Angeles, CA 90071

CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION P.O. Box 942879
Sacramento CA 94279-0055

County of Los Angeles Department of Treasurer and Tax Collector 225 North Hill Street, Rm 122 P.O. Box 514818 Los Angeles, CA 90051-4818

US Foods, Inc. 8024 Telegraph Road Severn, Maryland 21144

West Central Foods, Inc. 2020 East Seventh Place Los Angeles, CA 90021

1 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 2 address is: 2818 La Cienega Avenue, Los Angeles, California 90034. 3 A true and correct copy of the foregoing document entitled 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 4 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 6 hyperlink to the document. On March 7, 2024, 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: 8 Kenechi R Agu kagu@kralegal.com Ryan W Anderson randerson@gamlaw.com, llofredo@gamlaw.com 9 Shaun J Bauman info@thela-lawyer.com Erin N Bradv erin.bradv@hoganlovells.com. 10 cindy.mitchell@hoganlovells.com;tracy.southwell@hoganlovells.com William S Brody wbrody@buchalter.com, dbodkin@buchalter.com;IFS\_filing@buchalter.com;smartin@buchalter.com 11 Andrew Browning abrowning@Intlb.com 12 Vincent V Frounjian vvf.law@gmail.com Philip A Gasteier pag@Inbyg.com 13 David S Hagen davidhagenlaw@gmail.com Marsha A Houston mhouston@reedsmith.com, hvalencia@reedsmith.com 14 Brian D Huben hubenb@ballardspahr.com, carolod@ballardspahr.com whuckins@allenmatkins.com, William W Huckins 15 clynch@allenmatkins.com;igold@allenmatkins.com Jeffrey Huron jhuron@dykema.com, 16 ebailon@dykema.com;slara@dykema.com;DocketLA@dykema.com Daniel King dking@theattorneygroup.com, r44432@notify.bestcase.com 17 Jeffrey S Kwong jsk@lnbyg.com, jsk@ecf.inforuptcy.com Noreen A Madoyan Noreen.Madoyan@usdoj.gov 18 James P Menton jmenton@robinskaplan.com, LCastiglioni@robinskaplan.com H. Jasmine Papian hjdlaw@yahoo.com, HJasminePapianEsq@jubileebk.net 19 Kristen N Pate bk@bpretail.com William F Salle wfslaw@yahoo.com 20 Jeffrey L Sumpter jsumpter1@cox.net John N Tedford jtedford@DanningGill.com, 21 danninggill@gmail.com;jtedford@ecf.courtdrive.com United States Trustee (LA) ustpregion16.la.ecf@usdoj.gov 22 Abdul Wakil sal@sawlawgroup.com Edward M Wolkowitz (TR) emwtrustee@Inbyg.com, ecf.alert+Wolkowitz@titlexi.com 23 2. SERVED BY UNITED STATES MAIL: On March 7, 2024, I served the following persons and/or 24 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. 26 Honorable Sheri Bluebond United States Bankruptcy Court 27 255 E. Temple Street, Suite 1534 / Courtroom 1539 Los Angeles, CA 9001 28

BANK OF AMERICA, N.A., AS ADMINISTRATIVE AGENT 555 S. Flower Street,  $11^{\rm th}$  Floor Los Angeles, CA 90071

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