

<p>Attorney or Party Name, Address, Telephone & FAX Nos., State Bar No. & Email Address</p> <p>Onyinye Anyama Esq. (SBN: 262152) Anyama Law Firm A Professional Law Corporation 18000 Studebaker Road, Suite 325 Cerritos, California 90703 Tel. (562) 645-4500; Fax: (562) 318-3669 E-mail: info@anyamalaw.com</p> <p><input type="checkbox"/> Individual appearing without attorney <input checked="" type="checkbox"/> Attorney for: Debtor and Debtor in Possession</p>		<p>FOR COURT USE ONLY</p>	
<p>UNITED STATES BANKRUPTCY COURT CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES DIVISION</p>			
<p>In re: CHARITY PRIME REALTY, INC.</p> <p>Debtor(s).</p>		<p>CASE NO.: 2:24-bk-13284-SK CHAPTER: 11</p>	
		<p>NOTICE OF SALE OF ESTATE PROPERTY</p>	

Sale Date: 11/20/2024	Time: 9:00 am
Location: CrtRm: 1575 255 E Temple St., Los Angeles, CA 90012	

Type of Sale: ☒ Public ☐ Private **Last date to file objections:** _____

Description of property to be sold:

Residential real property located at: 4028 Kenway Avenue, Los Angeles, CA 90008

Terms and conditions of sale:

See attached Debtor's Motion for Order approving sale

Proposed sale price: \$2,900,000.00

Overbid procedure (if any):

See attached Debtor's Motion for Order approving sale

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

See attached Debtor's Motion for Order approving sale

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

Onyinye Anyama Esq.
Anyama Law Firm | A Professional Law Corporation
18000 Studebaker Road, Suite 325
Cerritos, California 90703
Tel. (562) 645-4500; Fax: (562) 318-3669
E-mail: info@anyamalaw.com

Date: 10/28/2024

EXHIBIT "A"

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Counsel for Debtor and Debtor-in-Possession

**UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA
LOS ANGELES DIVISION**

In re:

CHARITY PRIME REALTY, INC.

Debtor-in-Possession

Chapter 11 Case

Case No.: 2:24-bk-13284-SK

**MOTION FOR ORDER APPROVING
SALE OF REAL PROPERTY FREE AND
CLEAR OF DESIGNATED LIEN,
PROVIDING FOR OVERBIDS, AND FOR
ANCILLARY RELIEF; MEMORANDUM
OF POINTS AND AUTHORITIES;
DECLARATIONS OF ONYINYE N.
ANYAMA, JENERO JEFFERSON AND
SHENOLL BAJRAMI IN SUPPORT
THEREOF**

HEARING

Date: November 20, 2024

Time: 9:00 AM

Ctrm: 1575

Place: 255 E. Temple Street,
Los Angeles, CA 90012

**TO THE HONORABLE SANDRA R. KLEIN, UNITED STATES BANKRUPTCY
JUDGE, THE OFFICE OF THE UNITED STATES TRUSTEE, TWENTY LARGEST
UNSECURED CREDITORS, AND OTHER INTERESTED PARTIES:**

Debtor, Charity Prime Realty, Inc., the Debtor-in-possession in the above-entitled
proceeding ("Debtor"), hereby moves the above entitled court for an order authorizing the sale of

Debtor's real property located at: 4028 Kenway Ave, Los Angeles, CA 90008 and for related relief pursuant to 11 U.S.C. §363, as follows:

1. Approving the sale of the Estate's interest in the property to Tanya Griffin ("Buyer") for \$2,900,000.00, or the highest bidder, according to the terms and conditions set forth in the California Residential Purchase Agreement and Joint Escrow Instructions ("Purchase and Sale Agreement"). A True and Correct copy of the Purchase and Sale agreement is attached hereto as Exhibit "A".

2. Approving Debtor's proposed overbid procedures, as requested.

3. Authorizing Debtor's distribution of sales proceeds for the payment of the costs of sale (including real estate broker commissions); all liens, including amounts due on trust deeds, property taxes, and or homeowner association dues or fees, according to demand in escrow. Notwithstanding the foregoing, the sale is requested to be free and clear of all liens.

4. Authorizing Debtor to sign any and all documentation necessary and to undertake any non-material amendments and modifications necessary to complete the sale to the highest qualified bidder without further notice, hearing or Court Order.

This Motion is made on the basis that the property has been listed for sale and the Buyers have made an offer which Debtor believes to be within the range of reasonable values; the offer price will assist the Debtor in payment of some of his priority claims and the offer may be further tested by Debtor's proposed overbid procedures to ensure that the Estate gains the maximum value for the Property.

This Motion is based upon this Motion and the accompanying Notice of Motion, the incorporated Memorandum of Points and Authorities, the Declaration of Shenoll Bajrami as Real Estate Broker ("Broker"), and upon such other and further evidence as the Court may consider in connection with the hearing of this motion.

Dated: October 25, 2024,

ANYAMA LAW FIRM, A.P.C.

/s/Onyinye N. Anyama

Onyinye N. Anyama

Attorney for Debtor and Debtor in Possession

MEMORANDUM OF POINTS AND AUTHORITIES

I.

PROPERTY TO BE SOLD

1. Debtor filed the instant Chapter 11 proceeding on April 29, 2024.
2. The Debtor owns the real property located at 4028 Kenway Ave, Los Angeles, CA 90008 (“the Property”). The Property was scheduled to have a value of \$3,000,000.00 with \$2,012,539.44 in liens. True and correct copies of the Debtor’s schedule “A” containing said listing is attached hereto as Exhibit “B”. As set forth in the declaration of Debtor’s Real Estate Agent, Shenoll Bajrami (“Broker”), it is Broker’s opinion that the subject property is valued to its proximity adjacent to the neighborhood.

As evidenced by the attached declaration of Broker, and Debtor Charity Prime Realty, Inc. the Buyers are third party. Neither Broker nor Debtor have any relationship with or have had any prior dealings with the Buyers except to the extent of this sale transaction as reflected by the Purchase and Sale Agreement terms.

II.

OFFER

3. Debtor has received an offer from the Buyers to purchase the Property for \$2,900,000.00 subject to the following contingencies:
 - a. Buyers have made an Offer with the initial deposit of \$50,000.00; a financing loan (Buyer Finance Loan) of \$2,600,000.00 and the Balance of purchase price of \$250,000.00 to be deposited with Escrow Holder
 - b. Approval of the termite report and any physical inspection results
 - c. Approval of Title.
 - d. Broker’s employment application has been approved by this court (Docket No. 43). The listing agreement provides for a 2% commission on the sale price to be split evenly between the listing and selling agent.

4. Debtor believes that a sale to the Buyers at the offer price will yield value by offsetting part of the debtor's priority claims projected as follows (subject to verification in escrow):

Offer:	\$ 2,900,000.00
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Less:

Closing Costs:	(\$6,896.70)
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Commission (2%)	(\$58,000.00)
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Total Mortgage Liens	(\$2,012,539.44)
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Los Angeles County (Property Tax)	(\$1,500.00)
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Owner's Title Insurance	(\$5,136.00)
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Gov Recording and Transfer Charges	(\$16,240.00)
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Total Deductions:	(\$2,100,312.10)
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Net Proceeds to Estate	\$799,687.90
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5. Debtor proposes that the Buyers offer be subject to overbid, according to the procedures set forth below. The Purchase and Sale agreement includes provision for overbids or court approval of the sale transaction.

III.

PROPOSED OVERBID PROCEDURES.

6. In order to obtain the highest and best offer for the benefit of the creditors of the Estate, Debtor proposes the Buyers' offer to be subject to overbid. Notice is being provided of the opportunity for overbidding to all interested parties in this matter and required Local Rule Form 6004-2 is being filed with the clerk.

7. Debtor requests that the Court approve the following overbid procedures:

- a. Only qualified bidders may submit an overbid. A “qualified bidder” is one who provides evidence of available funds and/or prequalification for any loan upon which the bidder will rely in funding the bid, a financial statement, and such business and banking references as are required in Debtor’s reasonable discretion sufficient to assure Debtor of the bidder’s ability (based upon availability of financing, experience or other conditions) to consummate the purchase of the real property on the same terms and conditions, other than price, as those proposed in the purchase agreement.
- b. Each bid must be non-contingent, and upon the same terms and conditions, other than the price, property to be sold “as is” as those proposed in the purchase agreement. Overbids will be evaluated based upon a baseline offer of \$2,900,000.00, assuming a full commission of 2%.
- c. All Interested bidders must contact Debtor’s counsel no later than 7 days prior to the hearing scheduled for this motion and provide proof of funds and/or loan qualification to allow Debtor sufficient time to confirm that proof. Debtor’s counsel’s contact information is set forth on page 1 of this Motion.
- d. The initial minimum overbid must be at least \$20,000.00 over the baseline offer of \$2,900,000.00. Subsequent bidding increments shall be \$5,000.00, or such increments as the court may establish.
- e. A qualified bidder must agree to pay into escrow, in addition to the purchase price, an amount up to \$2,000.00 for the reimbursement of the actual case-related expenses of Buyers (including inspection and appraisal fees), pursuant to an appropriate demand and subject to Debtor’s review and approval prior to distribution.
- f. A qualified bidder must be prepared to make an “earnest money” deposit of \$2,000.00 before confirmation of the sale by the court, said deposit shall become Non-refundable upon Court approval of sale to the qualified bidder. Debtor will

not request confirmation of any bid without the deposit. Such payment to be by way of prior wire transfer to Debtor's Counsel's Trust Account or tender of a cashier's check to Debtor's Counsel no later than the commencement of bidding.

- g. A qualified bidder must be prepared to close escrow within sixty days following the hearing on the Motion, with the remaining sales proceeds transferred to escrow in time to confirm the funds before closing. All funds must be wire-transferred by arrangement with Debtor's counsel.

8. Appearance at the hearing may be in person or by telephone. The court's telephonic appearance procedures are attached hereto as Exhibit "C."

9. The foregoing procedures will provide for an orderly completion of the sale of the Property by permitting all Buyers to compete on similar terms and will allow interested parties and the Court to compare competing bids in order to realize the highest and best benefit to the Estate.

IV.

PROPOSED DISTRIBUTION OF SALE PROCEEDS.

10. Debtor seeks authority for the distribution of the sales proceeds through escrow, as follows:

- a. For normal closing costs.
- b. For the payment of realtor's commissions to the Buyers' and seller's agents as proposed in the purchase agreement and as set forth above, or according to any approved overbid.
- c. For the reimbursement of Buyers, in the case of a successful overbid, of actual case-related expenses, up to \$2,000.00 pursuant to an appropriate demand and subject to Debtor's review and approval prior to distribution.

- 1 d. For the payment of real property taxes upon the Property according to the terms of
2 the purchase agreement, pursuant to a demand in escrow, and subject to Debtor's
3 review and approval prior to distribution.
- 4 e. For the payment of all valid liens against the Real Property, pursuant to a demand
5 in escrow, and subject to Debtor's review and approval prior to the distribution.
6 The Debtor's scheduled consensual liens is in favor of Velocity Commercial
7 Capital Loan, LLC / PHH Mortgage Corporation with an estimated balance of
8 approximately \$2,012,539.44. Debtor requests that the sale be free and clear of the
9 liens pursuant to 363 (f)(3)(4)(5) in that the sale proceeds exceed the amount of the
10 lien claims.
- 11 f. For such other unanticipated incidental or nominal items as may be necessary to
12 close escrow on the Property, not to exceed an aggregate of \$2,000.00 pursuant to
13 a demand in escrow and subject to Debtor's review and approval prior to
14 distribution.
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16 **V.**

17 **BASIS FOR APPROVAL OF SALE.**

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19 11. 11 U.S.C §363(b)(1) provides that "[t]he trustee, after notice and a hearing, may
20 use, sell, or lease, other than in the ordinary course of business, property of the estate." The
21 proposed sale is outside of the ordinary course of business, in that it is the sale of a significant
22 asset of the Estate. A trustee must show that (1) a "sound business purpose justifies the sale", (2)
23 "accurate and reasonable notice" of the sale was provided; (3) the "price to be paid is adequate,
24 *i.e.*, fair and reasonable"; (4) "Good Faith, *i.e.*, the absence of any lucrative deals with insiders, is
25 present." See In re Industrial Valley Refrig. & Air Cond. Supplies, Inc., 77 B.R. 15. 21 (Bankr.
26 E.D. Pa 1987). 11 U.S.C §1107 affords such authority to Debtor-in-Possession.

27 The proposed sale of the real property conforms to each of those requirements. There is a
28 sound business purpose in that the sale of the Real Property will allow a distribution to creditors,

which is Debtor's objective and responsibility; the proposed sale price represents the best price obtained by listing the Real Property on the open market. Notice of the offer is being provided to all creditors and pursuant to the notice afforded by Local Rule Form 6004-2. Debtor has proposed an overbid procedure which will provide for the Estate to receive the highest and best value of the Property.

VI.

OVERBID PROCEDURES

12. Pursuant to 11 U.S.C. §105(a), "[t]he court may issue any order, process or judgment that is necessary or appropriate to carry out the provisions of this title." This would include entering an order establishing terms and conditions for sale such as the overbid procedures. *In re Crown Corporation*, 679 F.2d 774 (9th Cir.1982). *The overbid procedures proposed herein will ensure that the Property will generate the greatest possible value to the Estate. They also place appropriate checks upon overbidders to ensure that only qualified bids are considered.*

In light of the foregoing, movant respectfully requests the court approve the above referenced sale as requested or upon such terms as the Court deems appropriate. That the sale be free and clear of the liens as set forth in this motion. Further, that the requested distributions by escrow be authorized and such further Orders as the Court deems most appropriate.

Dated: October 25, 2024

ANYAMA LAW FIRM, A.P.C.

/s/Onyinye N. Anyama

Onyinye N. Anyama
Attorney for Debtor and Debtor in Possession

DECLARATION OF ONYINYE N. ANYAMA

I, Onyinye N. Anyama, declare as follows:

1. I am an attorney at law, qualified to practice in all courts of the States of California, and before the United States District Court for the Central District of California. I am the principal attorney of Anyama Law Firm; 18000 Studebaker Road, Suite 325, Cerritos, Ca 90703. I am the debtor and debtor-in-possession's counsel in the above referenced chapter 11 case.

2. I have personal knowledge of the matters set forth in this declaration, except were stated upon information and belief, and as to such statements, if believe them to be true. Unless the context indicates otherwise, capitalized terms herein shall have the meaning as defined in the Application.

3. I submit this declaration in support of the Debtor's Motion for Order (1) authorizing sale of the real property pursuant to 11 U.S. C. §363(b) re: 4028 Kenway Avenue, Los Angeles, CA 90008.

4. Administrative Debts: Assuming the sale is approved, and the Debtor's Chapter 11 Bankruptcy is confirmed, Debtor will incur administrative debts in relation to the bankruptcy case and the sale of the property. Debtors estimate that they will incur professional fees and expenses in the estimated amount of \$12,000.00, plus fees payable to the United States Trustee. Debtor, by this motion seeks authorization to make part of these payments from the sale proceeds without further order of Court.

5. Proceeds of Sale: The proposed purchase price ("the purchase price") under the Purchase Agreement is \$2,900,000.00 for the Property to be paid in cash at the closing. The Debtors and the Buyers have negotiated and entered into an agreement (the "Agreement") to sell the Property (the "Proposed Sale").

6. Disposition of Proceeds: To the best of declarant's knowledge, assuming the Sale is approved and consummated, the likely distribution of proceeds will be as follows: The Secured Claim of Velocity Commercial Capital Loan, LLC / PHH Mortgage Corporation will be paid in full, costs of Sale including broker's commission (2%), administrative fees and Property Taxes.

1 The Debtor seeks authorization to disburse the sale proceeds to make these payments without
2 further order of the Court.

3 I declare under penalty of perjury under the laws of the United States of America that the
4 foregoing is true and correct and that this Declaration was executed on October 25, 2024 at
5 Cerritos, California.

6 Onyinye N. Anyama

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8 /s/Onyinye N. Anyama
9 Attorney for Debtor-in-Possession
10 And Declarant
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DECLARATION OF JENERO JEFFERSON FOR DEBTOR

I, Jenero Jefferson in representation of Charity Prime Realty, Inc. declare as follows:

1. I am the Principal of Charity Prime Realty, Inc. (the "Debtor") in the instant bankruptcy case. I make this declaration in support of the Motion to Sell Real Property Pursuant to 11 U.S.C. § 363(f) (the "Motion"). I know each of the facts of my own personal knowledge, except as otherwise stated, and, if called as a witness, I could and would competently testify with respect thereto.

2. The instant case was filed on or about April 29, 2024.

3. Neither I, nor the debtor, nor any person connected with the debtor have relationship with the Buyers and have had no prior dealings with them. Rather, the relationship is limited exclusively to the present sale transaction as set forth in the Real Estate Purchase and Sale Contract.

I declare under penalty of perjury that the foregoing is true and correct. Executed on this 25th Day of October 2024 at Cerritos, California.


Jenero Jefferson
Principal for Debtor and Declarant

DECLARATION OF SHENOLL BAJRAMI

I, Shenoll Bajrami, declare as follows:

1. I am a real estate broker licensed to practice in the State of California.
2. I am acquainted with Charity Prime Realty, Inc. and Jennero Jefferson only from the proceeding to which this declaration relates. I have no relationship nor affiliation of any kind with the Debtor except as a Real Estate broker,
3. My employment application has been approved by this court. The listing agreement provides for a 2% commission on the sale price to be split evenly between the listing and selling agent.
4. The Real Property has a scheduled value of \$3,000,000.00. A true and correct copy of the Debtor's schedule is attached as Exhibit "B."
5. In my opinion, the Buyers' offer is the best offer received by the Agent to date. Moreover, the proposed overbid procedures will ensure that the Properties are sold for the best and highest price. My office will send a copy of the notice of the hearing on the Motion to all parties who have previously expressed an interest in the Property.
6. There are no current overbids at this time.
7. The current buyer, Tanya Griffin is aware that the real property is being sold as is and is part of a bankruptcy estate and that the sale is subject to approval from the bankruptcy court and the overbid procedures.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on this 25th day of October 2024, at Cerritos, California.


Shenoll Bajrami
Real Estate Broker