

Attorney or Party Name, Address, Telephone & FAX Numbers, and California State Bar Number Richard H. Golubow – State Bar No. 160434 rgolubow@winthropcouchot.com WINTHROP COUCHOT PROFESSIONAL CORPORATION 660 Newport Center Dr., Suite 400 Newport Beach, CA 92660 Telephone: 949-720-4100 Facsimile: 949-720-4111 Attorneys for Debtor and Debtor-in-Possession	FOR COURT USE ONLY
UNITED STATES BANKRUPTCY COURT CENTRAL DISTRICT OF CALIFORNIA	
In re: LAVEY CRAFT PERFORMANCE BOATS, INC., a California corporation <div style="text-align: right;">Debtor.</div>	CASE NO: 6:13-BK-24999 WJ CHAPTER 11

NOTICE OF SALE OF ESTATE PROPERTY

Sale Date: November 4, 2014	Time: 1:00 p.m.
Location: United States Bankruptcy Court, Central District of California, Riverside Division Courtroom 302 3420 Twelfth Street Riverside, CA 92501	

Type of Sale: ☒ Public ☐ Private

Last date to file objections: October 21, 2014

Description of property to be sold:

The Debtor's real property commonly known by the street address of 210 Benjamin Drive, Corona, CA 92879 and consisting of an approximate 19,360 square foot light industrial building located on approximately 1.47 acres of land and an adjacent parcel of vacant land also consisting of approximately 1.30 acres ("Real Property").

Terms and conditions of sale:

The following is a summary¹ of the proposed material terms of the sale of the Real Property pursuant to the Purchase Agreement:

1. Consideration. New Merlion, LLC has offered to purchase the Real Property, subject to overbid, for \$2,449,000 ("Purchase Price"), with a cash down payment of \$490,000 and a new loan in the amount of \$1,959,000;
2. Liens and Encumbrances. The Real Property is to be sold free and clear of all Liens and Encumbrances;

¹ The terms of the Purchase Agreement attached to the Motion control in the event of any inconsistency with this summary.

3. Closing. The expected Close of Escrow is November 17, 2014;
4. Contingencies to Closing: In accordance with the terms of the Purchase Agreement, all contingencies to closing have been satisfied or waived by New Merlion except that (i) the Debtor must obtain a current fire sprinkler certification prior to closing; (ii) all monetary Liens and Encumbrances against the Real Property must be removed at or prior to closing and (iii) the financing contingency will remain in place until closing;
5. Break-Up Fee: In the event of an overbid and sale of the Real Property to anyone other than New Merlion, the Debtor shall pay New Merlion solely from sales proceeds at the closing a break-up fee which shall be equal to 2.5% of the Purchase Price, and New Merlion's actual and reasonable out-of-pocket expenses including legal fees, in connection with the negotiation and related Bankruptcy Court proceedings involving the Real Property.
6. Seller Hold Over: The Debtor shall have fully vacated the Real Property including removal of all personal property, equipment and trade fixtures by November 17, 2014 (Close of Escrow). If the Debtor still needs to occupy the Real Property post-closing, the Debtor and New Merlion shall prior to closing enter into a lease agreement which will provide for the Debtor's ability to occupy the Real Property for a period of up to ten (10) days. The terms of the lease agreement will provide that the Debtor will pay rent of three hundred and sixty-six dollars (\$366.00) per day. Upon the Close of Escrow, and assuming the Debtor does need to lease the Real Property post-Closing, the Escrow Holder shall withhold the sum of fifty thousand dollars (\$50,000) from the sale proceeds to cover the holdover rent and delay damages, if any, incurred by New Merlion if the Debtor fails to timely vacate prior to the expiration of the ten (10) day lease period. Any unused portion would be refunded to the Debtor by Escrow Hold upon the Debtor vacating the premises. The Debtor and New Merlion stipulate that the Bankruptcy Court can issue a writ of possession or an order compelling the Debtor to surrender the Real Property if the Debtor fails to timely vacate in accordance with the terms of the Agreement and the lease agreement.

Proposed sale price: \$2,449,000.00

Overbid procedure (if any):

In the event that there is an alternative bidder that submits an overbid at the hearing on the Motion, it will be necessary for the Court to establish overbid guidelines. The proposed Break-Up Fee is 2.5% of the Purchase Price, or \$61,250, plus New Merlion's actual and reasonable out-of-pocket expenses including legal fees, in connection with the negotiation and related Bankruptcy Court proceedings involving the Real Property. New Merlion has provided an estimate that its actual fees and expenses will not exceed \$15,000.00. Thus, the Debtor proposes that in the event alternative bidders submit an overbid to purchase the Real Property, an initial overbid of \$100,000 is fair and necessary in order for the Debtor to sell to a Successful Bidder other than New Merlion with such overbid yielding a net monetary benefit to the Debtor's estate. Moreover, the Debtor proposes that subsequent overbids, if any, in increments of \$25,000, is fair and reasonable under the facts and circumstances of this case.

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

November 4, 2014

1:00 p.m.

United States Bankruptcy Court, Central District of California, Riverside Division

Courtroom 302

3420 Twelfth Street

Riverside, CA 92501

Contact Person for Potential Bidders (include name, address, telephone, fax and/or e-mail address):

Richard H. Golubow, Esq.

Winthrop Couchot Professional Corporation

660 Newport Center Dr., Suite 400

Newport Beach, CA 92660

Telephone: (949) 720-4100

Facsimile: (949) 720-4111

E-mail: rgolubow@winthropcouchot.com

Date: October 16, 2014

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: 660 Newport Center Drive, 4th Floor, Newport Beach, CA 92660.

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 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 October 16, 2014, 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:

☒ Service information continued on attached page

2. SERVED BY UNITED STATES MAIL: On October 16, 2014, 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.

Honorable Wayne E. Johnson
3420 Twelfth St., Suite 345
Riverside, CA 92501-3819

☐ 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 _____, 2014, 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.

☐ 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.

October 16, 2014
Date

Viann Corbin
Printed Name

/s/ Viann Corbin
Signature

NEF SERVICE LIST

- **Marc Andrews** sandra.g.mcmasters@wellsfargo.com
- **Michael J Bujold** Michael.J.Bujold@usdoj.gov
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- **United States Trustee (RS)** ustpregion16.rs.ecf@usdoj.gov