

Attorney or Party Name, Address, Telephone & FAX Nos., State Bar No. & Email Address  SHEILA ESMALI, ESQ. LAW OFFICES OF SHEILA ESMALI 11601 Wilshire Blvd., Suite 500 Los Angeles, CA 90025 T: 310.734.8209   E: selaw@bankruptcyhelpla.com  ELIZA GHANOONI, ESQ. (State Bar No.: 252063) GHANOONI LAW FIRM 1901 Avenue of the Stars, Ste. 450 Los Angeles, CA 90067 Telephone: (213) 444-3328   Facsimile: (800) 584-1977 Email: eliza@ghanoonilaw.com  <input type="checkbox"/> Individual appearing without attorney <input checked="" type="checkbox"/> Attorney for: CKSB, LLC	FOR COURT USE ONLY
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**UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA - RIVERSIDE DIVISION**

In re:  CKSB, LLC,          Debtor(s).	CASE NO.: 6:18-bk-10893-SY CHAPTER: 11          <b>NOTICE OF SALE OF ESTATE PROPERTY</b>
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<b>Sale Date:</b> 06/21/2018	<b>Time:</b> 1:30 pm
<b>Location:</b> 3420 Twelfth Street, Courtroom 302, Riverside, CA 92501	

**Type of Sale:** ☐ Public ☒ Private **Last date to file objections:** 06/20/2018

**Description of property to be sold:**

Real property located at 295 N. Waterman Avenue, San Bernadino, CA 92408, APN 0135-321-21-0-000

**Terms and conditions of sale:** (1) The purchase price is \$2,800,000.00 (2) The Property will be sold "as is, where is" with no warranties or representations of any kind whatsoever (3) Undisputed liens, if any, will be paid through escrow (4) Broker fees will be paid through escrow (5) Debtor will hold remaining sale proceeds in a trust account pending resolution all disputed liens, or liens and claims that still require investigation or further proof to establish their validity (6) Escrow is to close by June 28, 2018.

**Proposed sale price:** \$ 2,800,000.00

**Overbid procedure (if any):** (1) The overbid procedure must be all cash and must be at least \$2,800,000.00, with no contingencies to closing whatsoever (2) Any party who would like to bid must contact Debtor's counsel at least 24 hours prior to the hearing and provide evidence of financial resources and submit a deposit of at least \$500,000.

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

06/21/2018

1:30 pm

3420 Twelfth Street, Courtroom 302, Riverside, CA 92501

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

ELIZA GHANOONI, ESQ.

1901 Avenue of the Stars, Ste. 450

Los Angeles, CA 90067

Telephone: (213) 444-3328 | Facsimile: (800) 584-1977

Email: eliza@ghanoonilaw.com

Date: 05/31/2018

## 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:

1901 Avenue of the Stars, Suite 400, Los Angeles, CA 90067

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 (date) 05/31/2018, 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:

Daniel M Eliades daniel.eliaades@leclairryan.com

Sheila Esmaili selaw@bankruptcyhelpa.com

Lazaro E Fernandez lef17@pacbell.net; lef-karina@pacbell.net; lef-mari@pacbell.net; lefkarina@gmail.com;

officelr74738@notify.bestcase.com

☒ Service information continued on attached page

**2. SERVED BY UNITED STATES MAIL:**

On (date) 05/31/2018, 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) 05/30/2018, 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.

By Email: Brian.Vanderhoof@leclairryan.com; mlazo@whblp.com

By Fedex Overnight: Honorable Scott H. Yun, 3420 Twelfth Street, Suite 345 / Courtroom 302, Riverside, CA 92501

By Personal Delivery: Celia C. Barrera, 19829 Moon Shadow Circle, Walnut, CA 91789

Celia C. Barrera c/o Law Office of Lazaro E. Fernandez, Inc., 3600 Lime St., #614 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.

05/31/2018  
Date

Monica Bedia  
Printed Name

/s/ Monica Bedia  
Signature

- Eliza Ghanooni eliza@ghanoonilaw.com, monicabedia@ghanoonilaw.com
- Robert P Goe kmurphy@goeforlaw.com, rgoe@goeforlaw.com; goeforecf@gmail.com
- Marc Y Lazo mlazo@whblp.com
- Mohammad Tehrani Mohammad.V.Tehrani@usdoj.gov
- United States Trustee (RS) ustpreion16.rs.ecf@usdoj.gov
- Brian C Vanderhoof brian.vanderhoof@leclairryan.com,  
graciela.anchante@leclairryan.com, Daniel.eliades@leclairryan.com, Mayra.Hernandez@leclairryan.com
- William L Waldman william.waldman@leclairryan.com



Label Matrix for local noticing  
0973-6

Case 6:18-bk-10893-SY  
Central District of California  
Riverside  
Thu May 31 16:57:34 PDT 2018

Franchise Tax Board  
Bankruptcy Section MS: A-340  
P.O. Box 2952  
Sacramento, CA 95812-2952

Securities & Exchange Commission  
444 South Flower St., Suite 900  
Los Angeles, CA 90071-2934

Celia C. Barrera  
19829 Moon Shadow Circle  
Walnut, CA 91789-5323

FRANCHISE TAX BOARD  
BANKRUPTCY SECTION MS A340  
PO BOX 2952  
SACRAMENTO CA 95812-2952

Martin B. Greenbaum, Esq.  
170 Newport Center Drive, Suite 130  
Newport Beach, CA 92660-6971

Williams A/C Service  
7543 West Liberty Parkway, Unit 633  
Fontana, CA 92336-5406

Celia C Barrera  
Law Office of Lazaro E. Fernandez, Inc.  
3600 Lime Street  
Suite 614  
Riverside, CA 92501-0939

Satish Khosla  
11060 Artesia Blvd Ste G  
Cerritos, CA 90703-2543

CKSE, LLC  
293 N. Waterman Ave.  
San Bernardino, CA 92408-1278

Habib American Bank  
c/o LeClairRyan, P.C.  
Attn.: William L. Waldman  
1037 Raymond Blvd.  
16th Floor  
Newark, NJ 07102-5424

Riverside Division  
3420 Twelfth Street,  
Riverside, CA 92501-3819

Dhillion Investments Inc.  
19193 Monterey Street  
Apple Valley, CA 92308-6098

Habib American Bank  
110 East 9th St.  
Los Angeles, CA 90079-1109

Superior Court of CA San Bernardino  
247 W. 3rd St.  
Case No: CIVDS1722659  
San Bernardino, CA 92415-0300

Alfonso Barrera  
Law Office of Lazaro E. Fernandez, Inc.  
3600 Lime Street  
Suite 614  
Riverside, CA 92501-0939

Robert Goe  
Goe & Forsythe LLP  
18101 Von Karman Avenue  
Suite #1200  
Irvine, CA 92612-7119

Sheila Esmaili  
Law Offices of Sheila Esmaili  
11601 Wilshire Blvd., Suite 500  
Los Angeles, CA 90025-1741

Employment Development Dept.  
Bankruptcy Group MIC 92E  
P.O. Box 826880  
Sacramento, CA 94280-0001

Internal Revenue Service  
PO Box 7346  
Philadelphia, PA 19101-7346

Bilquees Bano  
3262 N. Garey Ave., Suite 270  
Pomona, CA 91767-1308

Envisioning Future, Inc.  
295 N. Waterman Ave  
San Bernardino, CA 92408-1278

Kenneth Gibson c/o Jose A. Almodova  
Law Offices of Jose A. Almodovar  
5900 Sepulveda Blvd. Ste 450  
CIVDS1722659  
Van Nuys, CA 91411-2520

United States Trustee (RS)  
3801 University Avenue, Suite 720  
Riverside, CA 92501-3255

Angel Barrera  
Law Office of Lazaro E. Fernandez, Inc.  
3600 Lime Street  
Suite 614  
Riverside, CA 92501-0939

Rocio Barrera  
Law Office of Lazaro E. Fernandez, Inc.  
3600 Lime Street  
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*Attorneys for Debtor*  
CKSB, LLC

UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA  
RIVERSIDE DIVISION

In re

CKSB, LLC,

Debtor and Debtor in Possession.

Case No. 6:18-bk-10893-SY

Chapter 11

**NOTICE OF MOTION AND MOTION  
FOR ORDER APPROVING SALE OF  
REAL PROPERTY PURSUANT TO 11  
U.S.C. § 363 FREE AND CLEAR OF  
ALL LIENS, CLAIMS AND  
INTERESTS; AND GRANTING  
CERTAIN OTHER RELATED  
RELIEF; MEMORANDUM OF  
POINTS AND AUTHORITIES IN  
SUPPORT THEREOF;  
DECLARATIONS IN SUPPORT  
THEREOF**

Date: June 21, 2018

Time: 1:30 pm

Place: 3420 Twelfth Street,  
Courtroom 302  
Riverside, CA 92501-3819

**TO THE HONORABLE SCOTT YUN, UNITED STATES BANKRUPTCY  
JUDGE; TO THE UNITED STATES TRUSTEE AND HIS COUNSEL OF  
RECORD; AND TO ALL INTERESTED PARTIES:**

PLEASE TAKE NOTICE that on June 21, 2018, at 1:30 pm., or as soon as the matter can be heard, before the Honorable Scott Yun, United States Bankruptcy Judge, CKSB, LLC ("Debtor") the Debtor in the above Chapter 11 Bankruptcy case hereby moves this Court for the entry of an order authorizing and approving the sale of the Debtor's real property located at 295 N. Waterman Avenue, San Bernardino, CA 92408, Assessor's Parcel Number 0135-321-21-0-000 ("Property") free and clear of all liens, claims and interests pursuant to 11 U.S.C. § 363, and granting certain additional relief requested herein and in the attached Memorandum of Points and Authorities.

Dhillion Investment Inc. ("Buyer"), has made an offer to purchase the Property for the sum of \$2,800,000.00. By this Motion, the Debtor seeks the approval of the sale of the Property to Buyer, subject to overbid, and for the additional relief set forth below.

PLEASE TAKE FURTHER NOTICE that the Motion is based upon this Notice of Motion and the following Motion, §§ 363 and 105 of the Bankruptcy Code, Federal Rules of Bankruptcy Procedure 2002 and 6004; Local Bankruptcy Rule 6004-1; the attached Memorandum of Points and Authorities; the Declaration of the Debtor(s) submitted herewith; the record in this Chapter 11 case, and such additional evidence and argument as may be presented at or before the hearing on this Motion.

PLEASE TAKE FURTHER NOTICE that any party wishing to respond to the Motion must file a written response with the Bankruptcy Court and must serve that written response on counsel for the Debtor at least 14 days before the hearing. The failure to timely file and serve a response in accordance with the Local Bankruptcy Rules may be deemed by the Bankruptcy Court to be consent to the granting of the relief requested in the Motion.

Dated: May 31, 2018

**GHANOONI LAW FIRM**

By: /s/ Eliza Ghanooni

**Eliza Ghanooni**

*Attorneys for Debtor*  
CKSB, LLC



**MOTION**

CKSB, LLC (“Debtor”) the Debtor in the above Chapter 11 Bankruptcy case respectfully moves this Court for the entry of an order authorizing and approving the sale of the Debtor’s real property located at 295 N. Waterman Avenue, San Bernardino, CA 92408, Assessor’s Parcel Number 4388-012-062 (“Property”) to Dhillion Investments, and/or nominee, (“Buyer”) or such other person or entity as may successfully overbid at the hearing, free and clear of all liens, encumbrances, claims or interests pursuant to 11 U.S.C. § 363(f), and granting certain additional relief requested herein and in the attached Memorandum of Points and Authorities.

This Motion is based upon the preceding Notice of Motion; 11 U.S.C. §§ 363 and 105; Federal Rules of Bankruptcy Procedure 2002 and 6004; Local Bankruptcy Rule 6004-1; the attached Memorandum of Points and Authorities; the Declaration of the Debtor’s managing member, submitted herewith; and such additional evidence and argument as may be presented at or before the hearing on this Motion.

WHEREFORE, the Debtor respectfully requests that the Court enter an order:

- (1) Finding that notice of the Motion was adequate and appropriate under the circumstances;
- (2) Granting the Motion in its entirety;
- (3) Authorizing and approving the sale of the Property to Buyer or to another successful bidder, free and clear of all liens, claims, and interests;
- (4) Approving the bidding procedures described in the Memorandum of Points and Authorities;
- (5) Finding that the successful bidder is a good faith purchaser for the purposes of 11 U.S.C. § 363(m);
- (6) Authorizing the Debtor to take all necessary and reasonable steps to consummate the sale of the Property;



- (7) Authorizing the payment of the commissions described in the Memorandum of Points and Authorities at the close of escrow;
- (8) Authorizing payments of any undisputed liens, claims and interests on and against the Property (collectively referred to herein as the “Liens, Claims and Interest”), *if any*, to the extent set forth in the Memorandum of Points and Authorities;
- (9) Authorizing the payment of real property taxes, plus interest, owed on the Property and all usual and customary escrow and closing and recording costs generally attributable to a seller of real property, if any, at the close of escrow;
- (10) Authorizing the Debtor to hold that portion of the sale proceeds attributable to disputed claims of exemption, liens and encumbrances, pending further orders of this Court;
- (11) Compelling all holders of undisputed liens and encumbrances, if any, to execute any and all documentation that may be required to allow escrow to close;
- (12) Allowing the Debtor, pursuant to 11 U.S.C. § 542(a), to deliver the Property to Buyer free and clear of any tenancy;
- (13) Waiving the fourteen-day waiting period set forth in Bankruptcy Rule 6004(h); and
- (14) Granting such other and further relief as the Court deems just and proper under the circumstances.

Dated: May 31, 2018

**GHANOONI LAW FIRM**

By: /s/ Eliza Ghanooni

**Eliza Ghanooni**

*Attorneys for Debtor*  
CKSB, LLC

**MEMORANDUM OF POINTS AND AUTHORITIES**

**I. STATEMENT OF FACTS**

**A. Background of the Debtor's Bankruptcy Case**

On February 5, 2018, CKSB, LLC ("Debtor"), debtor and debtor-in-possession herein, filed the instant voluntary Chapter 11 Bankruptcy ("Instant Bankruptcy"). This is Debtor's first bankruptcy. Debtor is a single-asset real estate debtor pursuant and subject to special provisions of the Bankruptcy Code.

Debtor holds real property located at 295 N. Waterman Avenue, San Bernardino, California 92408 ("Property"). Debtor generates a monthly income of \$11,848.71 from its 5-year lease agreement with Envisioning Future, Inc., and pays Habib Bank \$11,848.71 every month for the mortgage on the Waterman Property. Debtor is current with its mortgage with Habib Bank, and to date, has not defaulted.

The fair market value of the Waterman Property is \$2,800,000. Habib American Bank ("Habib Bank") holds a first priority deed of trust in the amount of \$1,616,042.39, Bilquees Bano holds a disputed, partially-unsecured, second priority judgment lien ("BB Lien") in the amount of \$2,291,072.00, and Celia C. Barrera holds a disputed, completely unsecured, third priority judgment lien ("Barrera Lien", collectively with the BB Lien, the "Disputed Liens") in the amount of \$412,058.68.

Debtor's managing member was unaware of the Disputed Liens until the Property went into escrow and it appeared on a title report. The Disputed Liens have stalled the sale of the Property. Debtor's managing member reached out to both creditors and attempted to settle the Disputed Liens in order to remove them from the title report and allow escrow to close, but to no avail. Especially troubling was that the Disputed Liens appeared on the title report for the Property, although neither of the Disputed Liens are for judgments against the Debtor, but rather the Debtor's managing member, personally. In the Instant Bankruptcy, Debtor intends to clear title of the Property and allow escrow to close.

1 Since the Property is Debtor's only asset, Debtor files this sale motion in order to  
2 allow escrow to close, deposit the sale proceeds in a trust account, pending resolution of  
3 the Disputed Liens.

4 **B. Brief Summary of the Terms of the Sale**

5 On October 23, 2017, the Debtor accepted an offer to purchase the Debtor's real  
6 property located at 295 N. Waterman Avenue, San Bernadino, CA 92408, Assessor's  
7 Parcel Number 0315-321-21-0-000 ("Property") to Buyer. A true and correct copy of the  
8 Purchase Agreement between the Debtor and Buyer is attached hereto as **Exhibit "A."**

9 By way of summary, the principal terms of agreement are as follows:

- 10 (1) The purchase price is \$2,800,000.00.  
11 (2) The Property will be sold "as is, where is" with no warranties or  
12 representations of any kind whatsoever.  
13 (3) Undisputed liens, if any, will be paid through escrow.  
14 (4) Broker fees will be paid through escrow.  
15 (5) Debtor will hold remaining sale proceeds in a trust account pending  
16 resolution of all disputed liens, or liens and claims that still require  
17 investigation or further proof to establish their validity.  
18 (6) Escrow is to close by June 28, 2018.

19  
20 **C. Liens, Encumbrances and Other Interests**

21 A review of the Title Report reflects the following liens and/or interests that have  
22 been recorded against the Property:

- 23  
24 (1) Property taxes, including any personal property taxes and any assessments  
collected with taxes are as follows:  
25 Code Area: 007-005  
Tax Identification No: 0135-321-21-0-000  
26 Fiscal Year: 2017-2018  
Personal Property: \$0.00  
27 Current balance: \$0.00 per San Bernardino County Auditor-Controller/Treasurer/Tax  
28 Collector. **See Exhibit "B."**



Undisputed

(2) The lien of supplemental taxes, if any, assessed pursuant to the provisions of Chapter 3.5 (Commencing with Section 75) of the Revenue and Taxation Code of the State of California.

(3) Water rights, claims or title to water, whether or not disclosed by the public records.

Undisputed

(4) Matters contained in that certain document  
Entitled: GRANT OF EASEMENTS  
Dated: NOT SHOWN  
Executed by: H.M.S. LIMITED AND THE CITY OF RIVERSIDE  
Recording Date: April 27, 1987  
Recording No.: 138016, Official Records  
Reference is hereby made to said document for full particulars.  
Undisputed

(5) Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:  
Granted to: SOUTHERN CALIFORNIA EDISON COMPANY, A CORPORATION  
Purpose: PUBLIC UTILITIES  
Recording Date: December 10, 1987  
Recording No.: 87-433860, Official Records  
Affects: AS DESCRIBED THEREIN  
Undisputed

(6) Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:  
Granted to: GENERAL TELEPHONE COMPANY OF CALIFORNIA, A CORPORATION  
Purpose: PUBLIC UTILITIES  
Recording Date: November 15, 1988  
Recording No.: 013958, Official Records  
Affects: AS DESCRIBED THEREIN  
No representation is made as to the present ownership of said easement  
Undisputed

(7) Covenants, conditions and restrictions but omitting any covenants or restrictions, if any, including but not limited to those based upon race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of

income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law, as set forth in the document  
Recording Date: July 10, 1989  
Recording No: 89-248082, Official Records  
Said covenants, conditions and restrictions provide that a violation thereof shall not defeat the lien of any mortgage or deed of trust made in good faith and for value.  
Undisputed

(8) Matters contained in that certain document  
Entitled: DECLARATION OF RECIPROCAL EASEMENTS  
Dated: April 2, 1987  
Executed by: HMS, LIMITED, A CALIFORNIA LIMITED PARTNERSHIP  
Recording Date: April 3, 1987  
Recording No.: 87-110081, Official Records  
Reference is hereby made to said document for full particulars.  
Undisputed

(9) A deed of trust to secure an indebtedness in the amount shown below,  
Amount: \$1,655,000.00  
Current Payoff: \$1,657,875.14 per payoff demand by Habib American Bank. See Exhibit "C".

Dated: December 5, 2016  
Trustor/Grantor: CKSB LLC, A CALIFORNIA LIMITED LIABILITY COMPANY  
Trustee: OLD REPUBLIC TITLE COMPANY  
Beneficiary: HABIB AMERICAN BANK  
Loan No.: N/A  
Recording Date: December 7, 2016  
Recording No.: 2016-0534027, Official Records  
Undisputed

(10) An assignment of all moneys due, or to become due as rental or otherwise from said Land, to secure payment of an indebtedness, shown below and upon the terms and conditions therein  
Amount: \$1,655,000.00  
Assigned to: HABIB AMERICAN BANK  
Assigned By: CKSB LLC, A CALIFORNIA LIMITED LIABILITY COMPANY  
Recording Date: December 7, 2016  
Recording No.: 2016-0534028, Official Records  
Undisputed

(11) A document entitled, "Hazardous Substances Certificate and Indemnity",  
Dated: December 5, 2016  
By and Between: CKSB LLC, A CALIFORNIA LIMITED LIABILITY COMPANY  
AND HABIB AMERICAN BANK upon the terms, conditions and provisions as therein provided,

Recording Date: December 7, 2016  
Recording No: 2016-0534029, Official Records  
Undisputed

(12) An unrecorded lease with certain terms, covenants, conditions and provisions set forth therein as disclosed by the document  
Entitled: SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT

Lessor: MUHAMMAD N. ATTA lessee: ENVISIONING FUTURE INC., A CALIFORNIA CORPORATION

Recording Date: December 7, 2016

Recording No.: 2016-0534030, Official Records

The present ownership of the leasehold created by said lease and other matters affecting the interest of the lessee are not shown herein.

An agreement which states that this instrument was subordinated to the document or interest shown as an Item No. 9.

By Agreement Recorded: December 7, 2016, (instrument) 2016-0534030, Official Records  
Undisputed

(13) A financing statement as follows:

Debtor: ENVISIONING FUTURE INC., A CALIFORNIA CORPORATION

Secured Party: HABIB AMERICAN BANK

Recording Date: December 7, 2016

Recording No.: 2016-0534031, Official Records

Undisputed

(14) A financing statement as follows:

Debtor: CKSB LLC, A CALIFORNIA LIMITED LIABILITY COMPANY

Secured Party: HABIB AMERICAN BANK

Recording Date: January 26, 2017

Recording No.: 2017-0035753, Official Records

Undisputed

(15) An abstract of judgment for the amount shown below and any other amounts due:

Amount: \$2,291,072.00

Debtor: MUHAMMAD N. ATTA

Creditor: BILQUEES BANO

Date entered: September 26, 2016

County: LOS ANGELES

Court: SUPERIOR

Case No.: KS020279

Recording Date: December 14, 2016

Recording No.: 2016-0546655, Official Records

Disputed

(16) An abstract of judgment for the amount shown below and any other amounts due:

Amount: \$412,058.68



Debtor: MUHAMMAD N. ATTA, AN INDIVIDUAL, CAMEL AND CAMEL INC., A  
CALIFORNIA CORPORATION  
Creditor: CELIA C. BARRERA, AS TRUSTEE OF THE CELIA C. BARRERA LIVING  
TRUST, ESTABLISHED  
JUNE 13, 2003  
Date entered: January 3, 2017  
County: LOS ANGELES  
Court: SUPERIOR  
Case No.: KC 067298  
Recording Date: February 9, 2017  
Recording No.: 2017-0059717, Official Records  
Disputed

(17) An abstract of judgment for the amount shown below and any other amounts due:  
Amount: \$549,660.67  
Debtor: MUHAMMAD N. ATTA, AN INDIVIDUAL, CAMEL AND CAMEL, INC., A  
CALIFORNIA CORPORATION  
Creditor: CELIA C. BARRERA, AS TRUSTEE OF THE CELIA C. BARRERA LIVING  
TRUST ESTABLISHED JUNE 13, 2003  
Date entered: April 20, 2017  
County: LOS ANGELES  
Court: SUPERIOR  
Case No.: KC067298  
Recording Date: August 9, 2017  
Recording No.: 2017-0324794, Official Records  
Disputed

A true and correct copy of the Title Report is attached hereto as **Exhibit "D."**

**(2) Status of Disputed Liens and Encumbrances to Be Determined while  
Proceeds Remain in Trust**

The proposed sale is free and clear of all liens, except as described herein. The  
Debtor intends to pay the liens of Habib American Bank in full. The Debtor proposes that  
the remaining sale proceeds be held by Debtor, pending resolution of the Disputed Liens.

**Payment of Other Expenses**

By this Motion, the Debtor proposes that they be authorized to pay the following  
additional amounts to the following entities through escrow:

(1) Broker's commissions which total \$300,000. Satish Khosla will receive  
\$130,000 and buyer's agent will receive the remaining \$170,000. The order

1 approving of the application employing Satish Koshla was entered by the  
2 Court on May 15, 2018 (docket no. 56).

3 (2) Escrow, closing and recording costs, transfer taxes arising out of the sale of  
4 the Property, as well as costs of any title insurance endorsements, estimated  
5 to be not more than \$13,829.00.

6 A true and correct copy of the Seller's Closing Settlement Statement is attached hereto as  
7 **Exhibit "E."**<sup>1</sup>

8  
9 **(3) Sale of the Property is in the Best Interest of the Estate**

10 The Debtor respectfully submits that the proposed sale is in the best interest of the  
11 estate and its creditors because, as demonstrated herein, the proposed sale will result in a  
12 net to the estate in the approximate amount of \$975,676.00 after the payment of all  
13 amounts required to be paid to brokers, undisputed lienholders and closing costs in  
14 connection with the sale of the Property. All proceeds of the sale will go to support the  
15 Debtor's estate

16 **Recommended Overbidding Procedures**

17 The Debtor believes that the Court may require an opportunity for overbidding prior  
18 to the approval of the proposed sale. As a result, the Debtor proposes the following  
19 overbidding procedures:

- 20 (1) The overbid must be all cash and must be at least \$2,850,000.00 (\$50,000  
21 greater than the current offer), with no contingencies to closing whatsoever.  
22 (2) Any party who would like to bid on the Property during the hearing on the  
23 Motion must contact Debtor's counsel at least 24 hours prior to the hearing  
24 and provide evidence of financial resources to the Debtor's reasonable  
25 satisfaction. Debtor's counsel will provide an information packet to any

26  
27 <sup>1</sup> The total Broker's commissions is \$300,000.00. Debtor will pay \$150,000.00 total in commissions (Debtor will pay  
28 Satish Koshla \$65,000.00 and Debtor will pay Buyer's agent \$85,000.00.). Envisioning Future Inc. will pay the other  
\$150,000.00. Envisioning Future Inc. will pay Satish Koshla \$65,000.00 and Envisioning Future Inc. will pay Buyer's  
agent \$85,000.00.



1 party who would like to bid on the Property. Any overbidder must also  
2 submit, before the time of the hearing, a deposit for the purchase of the  
3 Property, by cashier's check or other cash equivalent in the amount of at  
4 least \$500,000.

5 (3) Overbid increments will be \$25,000 after the initial overbid.  
6

## 7 **II. DISCUSSION**

### 8 **A. The Court Should Authorize the Debtor to Sell the Property**

#### 9 ***1. The Debtor Has Complied with All Notice Requirements Under the*** 10 ***Bankruptcy Code, Federal Rules of Bankruptcy Procedure, and Local*** 11 ***Bankruptcy Rules Governing the Sale of the Property***

12 Section 363(b)(1) provides that the Debtor, "after notice and a hearing, may use,  
13 sell or lease, other than in the ordinary course of business, property of the estate." Section  
14 102(1) defines "after notice and a hearing" as "after such notice as is appropriate in the  
15 particular circumstances."

16 Rule 2002(a)(2) of the Federal Rules of Bankruptcy Procedure requires at least 21-  
17 day notice of a proposed sale of property of the estate other than in the ordinary course of  
18 business, unless the Court for cause shown shortened the time or directs another method of  
19 giving notice. Fed. R. Bankr. Proc. 2002 (a)(2) Rule 2002(c)(1) requires that the notice of  
20 a proposed sale include the date, time and place of any public sales, the terms and  
21 conditions of any private sale, and the time fixed for filing objections. Fed R. Bankr. Proc.  
22 2002(c)(1) It also provides that the notice of sale or property is sufficient if it generally  
23 describes the property. *Id*

24 Rule 6003(c) provides that a motion for authority to sell property free and clear of  
25 liens or other interests must be made in accordance with Rule 9014 and must be served on  
26 the parties who have liens or other interests in the property to be sold. Fed R. Benkr. Proc.  
27 6004(c) Local Bankruptcy Rule 9013-1(d)(2) requires that a notice of motion and motion  
28



1 be served at least 21 days before the hearing on the date specified in the notice. Loc.  
2 Bankr. R. 9013-1(d)(2)

3 The Debtor will serve all creditors in its case. The Debtor has complied with all of  
4 the above provisions of the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure  
5 and the Local Bankruptcy Rules.

6  
7 ***2. The Sale Motion Should be Approved Because Good Business Reasons***  
8 ***Exist to Approve the Sale of the Property, the Purchase Price for the***  
9 ***Property is Fair and Reasonable, and the Proposed Sale is in the Best***  
10 ***Interests of the Debtor's Estate and its Creditors***

11 As a general matter, a Court considering a motion to approve a sale under § 363(b)  
12 should determine from the evidence presented before it that a “good business reason”  
13 exists to grant such a motion. *In re Lionel Corp.*, 722 F.2d 1063, 1071 (2d. Cir. 1983). In  
14 addition, the Court must further find it is in the best interest of the estate. To make this  
15 determination, a Court should consider whether:

16 (1) the sale is fair and reasonable (i.e., the price to be paid is adequate);

17 (2) the property has been given adequate marketing;

18 (3) the sale is in good faith (i.e., there is an absence of any lucrative deals with  
19 insiders); and

20 (4) adequate notice has been provided to creditors.

21 *In re Wilde Horse Enterprises, Inc.*, 136 B.R. 830, 841-2 (Bankr. C.D. Cal. 1991); *In re*  
22 *The Landing*, 156 B.R. 246, 249 (Bankr. E.D. Mo. 1993); *In re Mama's Original Foods,*  
23 *Inc.*, 234 B.R. 500, 502-505 (C.D. Cal. 1999). The Debtor submits that the proposed sale  
24 of the Property to Buyer satisfies each of these requirements.

25 a. Sound Business Purpose

26 The Ninth Circuit Bankruptcy Appellate Panel in *Walter v. Sunwest Bank (In re Walter)*,  
27 83 B.R. 14, 19-20 (9th Cir. B.A.P. 1988) has adopted a flexible case-by-case test to  
28 determine whether the business purpose for a proposed sale justifies disposition of

1 property of the estate under Section 363(b). The facts pertaining to the sale at issue here  
2 amply substantiate the Debtor's business decision that the contemplated sale of the  
3 Property to Buyer or a successful overbidder serves the best interests of the estate's  
4 creditors and merits the Court's approval. As discussed herein, the Property has been  
5 actively marketed since February 2017, by Satish Khosla (hereinafter, "Broker"). Broker  
6 announced the listing to the more than two hundred realtors and brokers that are with his  
7 company, All California Brokerage, Inc. As a member of the Pacific West Association of  
8 Realtors, Broker also shared it with other realtors and brokers whom he knew who were actively  
9 selling gas stations. Broker has handled many transactions in which Circle K has been involved.  
10 He has brought many offers to Debtor but the offers were not competitive given the fact that a 7-  
11 (a Major Competitor) has immediately opened up within two blocks of the current Circle K.  
12 We had several prospective buyers/ franchisees submit verbal offers, one of which was for  
13 \$3,150,000 which was rejected by Debtor.

14 Debtor was demanding \$3,500,000 which Broker believed was too high considering that  
15 there was new competition closeby. In this case, Debtor had refinanced the Property in 2016 and  
16 Habib Bank had conducted an appraisal, valuing the Property at around \$3,300,00. Selling a Circle  
17 K is a challenging task. Apart from qualifying the buyer from a financial perspective, they also  
18 need to be approved by:

- 19 1. Franchise (Circle K)
- 20 2. ABC License Sign-off and Posting
- 21 3. Franchisee Training (2 weeks in Tempe, AZ) plus One week Back Office Training (SSCS,  
22 Salinas CA)

23 Buyer, represented by Niraj Agnihotri. made the offer to purchase the Property and the Circle K  
24 Business simultaneously for a total of \$3,300,000. Buyer is a very well qualified experienced  
25 purchaser who is already operating two gas stations; He has already:

- 26 1. Secured financing to close the deal; a new appraisal was conducted to get the best appraised  
27 value
- 28 2. ABC License posting is done
3. He has been approved by Circle K as a franchisee; and has completed all his training



1 In light of the above, both Debtor and Buyer have performed all their obligations to close this sale.  
2 Once the Court enters the order to approve this sale motion; both the Debtor and Buyer can close  
3 this deal in a week's time as all other covenants have been met.

4 Given current market conditions and based upon the Debtor's marketing efforts, the  
5 Debtor believes that the Property cannot realistically be sold at a price in excess of that  
6 proposed to be paid by Buyer in the current market. As a result, the proposed sale of the  
7 Property should result in the Debtor obtaining the highest and best price for the Property.  
8 As set forth in the Debtor's Declaration, the Debtor's projected sale of the Property will  
9 generate substantial funds to support the estate. Thus, the Debtor believes that the  
10 proposed sale of the Property is in the best interest of the Debtor's estate and its creditors.

11 b. Fair and Reasonable Price

12 In order for a sale to be approved under § 363(b), the purchase price must be fair  
13 and reasonable. *See generally, In re Canyon Partnership*, 55 B.R. 520 (Bankr. S.D. Cal.  
14 1985). The trustee is given substantial discretion in this regard. *Id.* In addition, Courts  
15 have broad discretion with respect to matters under § 363(b). *See Big Shanty Land Corp. v.*  
16 *Comer Properties, Inc.*, 61 B.R. 272, 278 (Bankr. N.D. Ga. 1985). In any sale of estate  
17 assets, the ultimate purpose is to obtain the highest price for the property sold. *In re Wilde*  
18 *Horse Enterprises, Inc.*, 136 B.R. at 841 (citing *Matter of Chung King, Inc.*, 753 F.2d 547  
19 (7th Cir. 1985), *In re Alpha Industries, Inc.*, 84 B.R. 703, 705 (Bankr. Mont. 1988)).  
20 The Property has been actively marketed since February 2017, by Satish Khosla  
21 (hereinafter, "Broker"). Broker announced the listing to the more than two hundred  
22 realtors and brokers that are with his company, All California Brokerage, Inc. As a  
23 member of the Pacific West Association of Realtors, Broker also shared it with other realtors and  
24 brokers whom he knew who were actively selling gas stations. Broker has handled many  
25 transactions in which Circle K has been involved. He has brought many offers to Debtor but the  
26 offers were not competitive given the fact that a 7-11 (a Major Competitor) has immediately  
27 opened up within two blocks of the current Circle K. We had several prospective buyers/  
28 franchisees submit verbal offers, one of which was for \$3,150,000 which was rejected by Debtor.



1 Debtor was demanding \$3,500,000 which Broker believed was too high considering that there was  
2 new competition closeby. In this case, Debtor had refinanced the Property in 2016 and Habib  
3 Bank had conducted an appraisal, valuing the Property at around \$3,300,00.  
4 Buyer, represented by Niraj Agnihotri. made the offer to purchase the Property and the Circle K  
5 Business simultaneously for a total of \$3,300,000, the same amount that Habib Bank valued the  
6 Property in their appraisal.

7 As a result, the Debtor submits that the final purchase price to be paid by Buyer or  
8 an overbidder represents a fair and reasonable price for the Property.

9 c. Adequate Marketing

10 As discussed above, the efforts of Broker to market the Property since February  
11 2017 has been extensive. Broker has networked with other agents and brokers, and did  
12 target marketing with other realtors and brokers whom he knew who were actively selling gas  
13 stations.. This offer is the same price as the value as recently appraised by Habib  
14 American Bank. The Debtor had \ previous offers which were far lower than this value.  
15 The Debtor has evaluated the offer on the Property and believes the price is reasonable  
16 given market values and seeks to apply the proceeds of the sale to support its estate. Based  
17 on the foregoing, the Debtor submits that the Property has been more than adequately  
18 marketed.

19 d. Good Faith

20 When a Bankruptcy Court authorizes a sale of assets pursuant to § 363(b)(1), it is  
21 required to make a finding with respect to the “good faith” of the purchaser. *In re Abbotts*  
22 *Dairies of Pa., Inc.*, 788 F.2d 143, 149 (3d Cir. 1986). With respect to the Trustee’s  
23 conduct in conjunction with the sale of the Property the good faith requirement focuses  
24 principally on whether there is any evidence of “fraud, collusion between the purchase and  
25 other bidders or the trustee, or an attempt to take grossly unfair advantage of other  
26 bidders.” *Id.* at 147; *In re Wilde Horse Enterprises*, 136 B.R. at 842.

1 The Debtor negotiated the agreement with Buyer at arm's length, and Buyer is not  
2 related to, nor an "insider" of the Debtor as that term is defined in the Bankruptcy Code.  
3 11 U.S.C. § 101(31). Moreover, there has been no fraud or collusion in connection with the  
4 proposed sale because everyone who expressed an interest in the Property was able to  
5 make an offer on the Property and which offer was thoroughly considered by the Debtor.  
6 Moreover, the proposed sale price is at market rate for the Property. Based on the  
7 foregoing, the Debtor submits that Buyer is a "good faith" purchaser.

8  
9 e. Accurate and Reasonable Notice

10 The purpose of the notice is to provide an opportunity for objections and hearing  
11 before the Court if there are objections. *In re Karpe*, 84 B.R. 926, 930 (Bankr. MD.Pa.  
12 1988). A notice is sufficient if it includes the terms and conditions of the sale and if it  
13 states the time for filing objections. *Id.*

14 As set forth above, the Debtor served this Notice of Motion and Motion on the  
15 United States Trustee, all of the Debtor's known creditors and all parties requesting special  
16 notice. The Notice includes the date, time and place of the sale and the time fixed for filing  
17 objections thereto. This Notice and Motion were served upon the parties who have liens  
18 and/or claims against, or interests in, the Property, and the Debtor filed the Notice and  
19 Form 6004-2 with the Clerk of the Bankruptcy Court, as required by Local Bankruptcy  
20 Rule 6007-1(f), so that the Clerk of the Bankruptcy Court could publish information  
21 regarding the proposed sale. Thus, the Debtor submits that the notice of the sale should be  
22 deemed adequate, accurate and reasonable by the Court.

23  
24 ***3. The Sale of the Property Should Be Free and Clear of All Liens, Claims,***  
25 ***and Interests Under 11 U.S.C. § 363(f)***

26 Bankruptcy Code § 363(f) provides that a trustee may sell property of the estate  
27 "free and clear of any interest in such property" if:  
28



- (1) applicable non-bankruptcy law permits the sale of such property free and clear of such interest;
- (2) such entity consents;
- (3) such interest is a lien and the price at which such property is to be sold is greater than the aggregate value of all liens on such property;
- (4) such interest is in bona fide dispute; or
- (5) such entity could be compelled, in a legal or equitable proceeding, to accept a money satisfaction of such interest.

11 U.S.C. § 363(f). Because § 363(f) is in the disjunctive, the Trustee must only meet one of the five subsections of § 363(f) in order to sell the Property free and clear of all liens, claims, and interests. *In re Whittemore*, 37 B.R. 93, 94 (Bankr. D. Or. 1984).

Here, § 363(f)(3) applies because the aggregate value of the undisputed lien on the Property by Habib American Bank (“Habib”), totals \$1,657,875.14. The sale price of \$2,800,000 exceeds that lien by a total of \$1,142,124.86, which is more than sufficient to cover closing costs, the Broker’s commission and any interest or charges that may have accrued to that lien. As to the Disputed Liens, section § 363(f)(2), (4) and/or (5) apply thereto as follows. The abstract of judgment recorded by Bilquees Bano, and the two abstracts of judgment recorded by Celia C. Barrera, as Trustee of the Celica C. Barrera Living Trust, established June 13 (“Barrera”), are disputed and unliquidated.

**The Debtor Requests that the Court Waive the 14-Day Waiting Period in Bankruptcy Rule 6004(h)**

Bankruptcy Rule 6004(h) provides, among other things, that an order authorizing the sale of property is stayed until the expiration of 14 days after entry of the order, unless the Court orders otherwise. Here, all parties with a lien, claim or interest in the Property, and all creditors of the estate, have been served with notice of the sale and an opportunity to object and the *fourteen-day waiting period could only operate to delay the closing of escrow*. As a result, under these circumstances, the Court should waive the fourteen-day



1 stay of Bankruptcy Rule 6004(h) to permit the Debtor to proceed with the close of escrow  
2 on the sale as soon as possible.

3  
4 **III. CONCLUSION**

5 WHEREFORE, the Debtor respectfully requests that the Court enter an order:

- 6 (1) Finding that notice of the Motion was adequate and appropriate under the  
7 circumstances;
- 8 (2) Granting the Motion in its entirety;
- 9 (3) Authorizing and approving the sale of the Property to Buyer or to another  
10 successful bidder, free and clear of all liens, claims, and interests;
- 11 (4) Approving the bidding procedures described in the Memorandum of Points  
12 and Authorities;
- 13 (5) Finding that the successful bidder is a good faith purchaser for the purposes  
14 of 11 U.S.C. § 363(m);
- 15 (6) Authorizing the Debtor to take all necessary and reasonable steps to  
16 consummate the sale of the Property;
- 17 (7) Authorizing the payment of the commissions described in the Memorandum  
18 of Points and Authorities at the close of escrow;
- 19 (8) Authorizing payments of the liens, claims and interests on and against the  
20 Property (collectively referred to herein as the "Liens, Claims and Interest"),  
21 with the exception of the Disputed Claims to the extent set forth in the  
22 Memorandum of Points and Authorities;
- 23 (9) Authorizing the payment of real property taxes, plus interest, owed on the  
24 Property and all usual and customary escrow and closing and recording costs  
25 generally attributable to a seller of real property, at the close of escrow;
- 26 (10) Authorizing Debtor to hold the remainder of the sale proceeds in trust while  
27 disputed claims of exemption, liens and encumbrances are examined,  
28 pending further orders of this Court;

- (11) Compelling all holders of the liens and encumbrances, if any, to execute any and all documentation that may be required to allow escrow to close;
- (12) Allowing the Debtor, pursuant to 11 U.S.C. § 542(a), to deliver the Property to Buyer, free and clear of any tenancy;
- (13) Waiving the fourteen-day waiting period set forth in Bankruptcy Rule 6004(h); and
- (14) Granting such other and further relief as the Court deems just and proper under the circumstances.

Dated: May 31, 2018

**GHANOONI LAW FIRM**

By: /s/ Eliza Ghanooni  
**Eliza Ghanooni**  
*Attorneys for Debtor*  
CKSB, LLC

**DECLARATION OF MUHAMMAD ATTA IN SUPPORT THEREOF**

I, MUHAMMAD ATTA, declare as follows:

1. I am the Managing Member of CKSB, LLC ("Debtor") in this Chapter 11 Bankruptcy case. I have personal knowledge of the facts set forth herein, and if called as a witness, I could and would testify competently with respect thereto. Where facts are alleged upon information and belief, I believe them to be true.

2. Debtor commenced its bankruptcy case by filing a voluntary petition under Chapter 11 of 11 U.S.C. §101 et seq. ("Bankruptcy Code") on February 5, 2018.

3. Debtor is a single asset real estate as defined in 11 USC Section 101(51B). Debtor owns the real property located at 295 North Waterman Avenue, San Bernardino, CA 92408 ("the Property"). Debtor entered into a sales agreement to sell the Property on October 25, 2017 to Dhillion Investment Inc. . A true and correct copy of the Purchase Agreement between Dhillion Investment Inc. and CKSB, LLC is attached hereto as

**Exhibit "A."**

4. Upon pulling a preliminary title report, it was discovered that several abstracts of judgment by Bilquees Bano and Celia C Barrera, as Trustee of the Celia C. Barrera Living Trust, Established June 13, 2003 ("Disputed Claims"), were clouding title. **See preliminary title report, attached as Exhibit "D".**

5. Debtor filed the instant bankruptcy case in order to clear the clouds on title caused by the Disputed Claims so that Buyer can close escrow and title to the Property can transfer. If Debtor cannot sell the Property, this will cause Debtor to be in breach on an executory sales contract and the Buyer may pursue remedies such as specific performance.

6. By way of summary, the principal terms of agreement are as follows:

(1) The purchase price is \$2,800,000.

(2) The Property will be sold "as is, where is" with no warranties or representations of any kind whatsoever.

(3) Undisputed liens, if any, will be paid through escrow.



(4) Any disputed liens, or liens and claims that still require investigation or further proof to establish their validity, if any, will be held in trust until further Court order.

7. Escrow is to close by June 28, 2018.

8. A review of the Title Report reflects the following liens and/or interests that have been recorded against the Property:

(1) Property taxes, including any personal property taxes and any assessments collected with taxes are as follows:

Code Area: 007-005

Tax Identification No: 0135-321-21-0-000

Fiscal Year: 2017-2018

Personal Property: \$0.00

Current balance: \$0.00 per San Bernardino County Auditor-Controller/Treasurer/Tax Collector. **See Exhibit "B."**

Undisputed

(2) The lien of supplemental taxes, if any, assessed pursuant to the provisions of Chapter 3.5 (Commencing with Section 75) of the Revenue and Taxation Code of the State of California.

(3) Water rights, claims or title to water, whether or not disclosed by the public records.

Undisputed

(4) Matters contained in that certain document  
Entitled: GRANT OF EASEMENTS  
Dated: NOT SHOWN  
Executed by: H.M.S. LIMITED AND THE CITY OF RIVERSIDE  
Recording Date: April 27, 1987  
Recording No.: 138016, Official Records  
Reference is hereby made to said document for full particulars.  
Undisputed

(5) Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: SOUTHERN CALIFORNIA EDISON COMPANY, A CORPORATION

Purpose: PUBLIC UTILITIES

Recording Date: December 10, 1987

Recording No.: 87-433860, Official Records

Affects: AS DESCRIBED THEREIN

Undisputed

(6) Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: GENERAL TELEPHONE COMPANY OF CALIFORNIA, A CORPORATION

Purpose: PUBLIC UTILITIES

Recording Date: November 15, 1988

Recording No.: 013958, Official Records

Affects: AS DESCRIBED THEREIN

No representation is made as to the present ownership of said easement  
Undisputed

(7) Covenants, conditions and restrictions but omitting any covenants or restrictions, if any, including but not

limited to those based upon race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law, as set forth in the document

Recording Date: July 10, 1989

Recording No: 89-248082, Official Records

Said covenants, conditions and restrictions provide that a violation thereof shall not defeat the lien of any mortgage or deed of trust made in good faith and for value.

Undisputed

(8) Matters contained in that certain document

Entitled: DECLARATION OF RECIPROCAL EASEMENTS

Dated: April 2, 1987

Executed by: HMS, LIMITED, A CALIFORNIA LIMITED PARTNERSHIP

Recording Date: April 3, 1987

Recording No.: 87-110081, Official Records

Reference is hereby made to said document for full particulars.

Undisputed

(9) A deed of trust to secure an indebtedness in the amount shown below,

Amount: \$1,655,000.00

Current Payoff: \$1,657,875.14 per payoff demand by Habib American Bank. See

**Exhibit "C".**

Dated: December 5, 2016

Trustor/Grantor: CKSB LLC, A CALIFORNIA LIMITED LIABILITY COMPANY

Trustee: OLD REPUBLIC TITLE COMPANY

Beneficiary: HABIB AMERICAN BANK

Loan No.: N/A

Recording Date: December 7, 2016

Recording No.: 2016-0534027, Official Records

Undisputed



(10) An assignment of all moneys due, or to become due as rental or otherwise from said Land, to secure payment of an indebtedness, shown below and upon the terms and conditions therein

Amount: \$1,655,000.00

Assigned to: HABIB AMERICAN BANK

Assigned By: CKSB LLC, A CALIFORNIA LIMITED LIABILITY COMPANY

Recording Date: December 7, 2016

Recording No.: 2016-0534028, Official Records

Undisputed

(11) A document entitled, "Hazardous Substances Certificate and Indemnity", Dated: December 5, 2016

By and Between: CKSB LLC, A CALIFORNIA LIMITED LIABILITY COMPANY AND HABIB AMERICAN BANK upon the terms, conditions and provisions as therein provided,

Recording Date: December 7, 2016

Recording No: 2016-0534029, Official Records

Undisputed

(12) An unrecorded lease with certain terms, covenants, conditions and provisions set forth therein as disclosed by the document

Entitled: SUBORDINATION, NON-DISTURBANCE AND ATTORNMEN  
T AGREEMENT

Lessor: MUHAMMAD N. ATTA lessee: ENVISIONING FUTURE INC., A CALIFORNIA CORPORATION

Recording Date: December 7, 2016

Recording No.: 2016-0534030, Official Records

The present ownership of the leasehold created by said lease and other matters affecting the interest of the lessee are not shown herein.

An agreement which states that this instrument was subordinated to the document or interest shown as an Item No. 9.

By Agreement Recorded: December 7, 2016, (instrument) 2016-0534030, Official Records

Undisputed

(13) A financing statement as follows:

Debtor: ENVISIONING FUTURE INC., A CALIFORNIA CORPORATION

Secured Party: HABIB AMERICAN BANK

Recording Date: December 7, 2016

Recording No.: 2016-0534031, Official Records

Undisputed

(14) A financing statement as follows:

Debtor: CKSB LLC, A CALIFORNIA LIMITED LIABILITY COMPANY

Secured Party: HABIB AMERICAN BANK

Recording Date: January 26, 2017

Recording No.: 2017-0035753, Official Records



Undisputed

(15) An abstract of judgment for the amount shown below and any other amounts due:  
Amount: \$2,291,072.00  
Debtor: MUHAMMAD N. ATTA  
Creditor: BILQUEES BANO  
Date entered: September 26, 2016  
County: LOS ANGELES  
Court: SUPERIOR  
Case No.: KS020279  
Recording Date: December 14, 2016  
Recording No.: 2016-0546655, Official Records  
Disputed

(16) An abstract of judgment for the amount shown below and any other amounts due:  
Amount: \$412,058.68  
Debtor: MUHAMMAD N. ATTA, AN INDIVIDUAL, CAMEL AND CAMEL INC., A CALIFORNIA CORPORATION  
Creditor: CELIA C. BARRERA, AS TRUSTEE OF THE CELIA C. BARRERA LIVING TRUST, ESTABLISHED  
JUNE 13, 2003  
Date entered: January 3, 2017  
County: LOS ANGELES  
Court: SUPERIOR  
Case No.: KC 067298  
Recording Date: February 9, 2017  
Recording No.: 2017-0059717, Official Records  
Disputed

(17) An abstract of judgment for the amount shown below and any other amounts due:  
Amount: \$549,660.67  
Debtor: MUHAMMAD N. ATTA, AN INDIVIDUAL, CAMEL AND CAMEL, INC., A CALIFORNIA CORPORATION  
Creditor: CELIA C. BARRERA, AS TRUSTEE OF THE CELIA C. BARRERA LIVING TRUST ESTABLISHED JUNE 13, 2003  
Date entered: April 20, 2017  
County: LOS ANGELES  
Court: SUPERIOR  
Case No.: KC067298  
Recording Date: August 9, 2017  
Recording No.: 2017-0324794, Official Records  
Disputed

9. A true and correct copy of the Title Report is attached hereto as **Exhibit**

**"D."**

1           10.    The proposed sale is free and clear of all liens, except as described herein.  
2 Debtor intends to pay the liens of Habib in full. Debtor asks that it be authorized to hold  
3 the remaining sale proceeds until the validity of all disputed encumbrances, exemptions or  
4 liens are determined and until further order of the Court.

5           11.    By this Motion, Debtor propose that it be authorized to pay the following  
6 additional amounts to the following entities through escrow:

7               (1) Broker's commissions to Satish Kosla ("Broker") of \$130,000.00 . Buyer's  
8 broker will receive \$170,000.00. An employment application for Broker has  
9 been filed and the order approving it was entered on May 15, 2018.

10              (2) Buyer's commissions: (See above)

11              (3) Escrow, closing and recording costs, transfer taxes arising out of the sale of  
12 the Property, as well as costs of any title insurance endorsements, estimated  
13 to be not more than \$13,829.00.

14           12.    A true and correct copy of the Proposed Settlement Statement is attached  
15 hereto as **Exhibit "E."**

16           13.    I respectfully submit that the proposed sale is in the best interest of the estate  
17 and its creditors because, as demonstrated herein, the proposed sale will result in a net to  
18 the estate in the approximate amount of \$975,676.00 after the payment of all amounts  
19 required to be paid to brokers, taxing authorities and closing costs in connection with the  
20 sale of the Property. All proceeds of the sale will go to support Debtor's estate.

21           14.    I believe that the Court may require an opportunity for overbidding prior to  
22 the approval of the proposed sale. As a result, I propose the following overbidding  
23 procedures:

24               (1) The overbid must be all cash and must be at least \$2,850,000 (\$50,000  
25 greater than the current offer), with no contingencies to closing whatsoever.

26               (2) Any party who would like to bid on the Property during the hearing on the  
27 Motion must contact Debtor's counsel at least 24 hours prior to the hearing  
28 and provide evidence of financial resources to the Debtor's reasonable



1 satisfaction. Debtor's counsel will provide an information packet to any  
2 party who would like to bid on the Property. Any overbidder must also  
3 submit, before the time of the hearing, a deposit for the purchase of the  
4 Property, by cashier's check or other cash equivalent in the amount of at  
5 least \$500,000.

6 (3) Overbid increments will be \$25,000 after the initial overbid.

7 15. Debtor will serve all creditors in its case.

8 16. The efforts of Broker to market the Property since February 2017 have been  
9 extensive. Broker has networked with other agents and brokers, and did target marketing  
10 with other realtors and brokers whom he knew who were actively selling gas stations. The  
11 Debtor had previous offers which were far lower than this value. I have evaluated the  
12 offer on the Property, on behalf of Debtor, and I believe the price is reasonable given  
13 market values. Buyer is serious and has made a sound offer which is the same amount as  
14 the value appraised by Habib American Bank.

15 17. Given current market conditions and based upon Broker's marketing efforts,  
16 I believe that the Property cannot realistically be sold at a price in excess of that proposed  
17 to be paid by Buyer in this market. As a result, the proposed sale of the Property should  
18 result in the estate obtaining the highest and best price for the Property. The projected sale  
19 of the Property will generate substantial funds to support the estate. Further, I believe that  
20 the proposed sale of the Property is in the best interest of Debtor's estate and its creditors.

21 18. The efforts of Broker to market the Property since February 2017 have been  
22 extensive. Broker has networked with other agents and brokers, and did target marketing  
23 with other realtors and brokers whom he knew who were actively selling gas stations. The  
24 Debtor had previous offers which were far lower than this value. The Debtor has  
25 evaluated the offer on the Property and believes the price is reasonable given market  
26 values. Buyer is serious and has made a sound offer which is the same amount as the  
27 value appraised by Habib American Bank.



1 19. As a result, I submit, on behalf of Debtor, that the final purchase price to be  
2 paid by Buyer or an overbidder represents a fair and reasonable price for the Property.

3 20. On behalf of Debtor, I negotiated the agreement with Buyer at arm's length,  
4 and Buyer is not related to, nor an "insider" of the Debtor as that term is defined in the  
5 Bankruptcy Code. 11 U.S.C. § 101(31). Moreover, there has been no fraud or collusion in  
6 connection with the proposed sale because everyone who expressed an interest in the  
7 Property was able to make an offer on the Property and which offer was thoroughly  
8 considered by Debtor. Moreover, the proposed sale price is at market rate for the Property.  
9 Based on the foregoing, I submit that Buyer is a "good faith" purchaser.

10 21. Debtor served this Notice of Motion and Motion on the United States  
11 Trustee, all of Debtor's known creditors and all parties requesting special notice. The  
12 Notice includes the date, time and place of the sale and the time fixed for filing objections  
13 thereto. This Notice and Motion were served upon the parties who have liens and/or claims  
14 against, or interests in, the Property, and the Debtor filed the Notice and Form 6004-2 with  
15 the Clerk of the Bankruptcy Court, as required by Local Bankruptcy Rule 6007-1(f), so  
16 that the Clerk of the Bankruptcy Court could publish information regarding the proposed  
17 sale. Thus, I submits that the notice of the sale should be deemed adequate, accurate and  
18 reasonable by the Court.

19 I declare under penalty of perjury under the laws of the United States of America  
20 that the foregoing is true and correct.

21 Executed on May 31, 2018, at San Bernardino, California.

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**Muhammad Atta**

**DECLARATION OF SATISH KOSLA IN SUPPORT THEREOF**

I, Satish Kosla, declare as follows:

1. I am the listing agent for the Debtor in this Chapter 11 Bankruptcy case. I have personal knowledge of the facts set forth herein, and if called as a witness, I could and would testify competently with respect thereto. Where facts are alleged upon information and belief, I believe them to be true.

2. The facts pertaining to the sale at issue here amply substantiate the Debtor's business decision that the contemplated sale of the Property to Buyer or a successful overbidder serves the best interests of the estate's creditors and merits the Court's approval.

3. I have actively marketed the Property since February 2017. I announced the listing to the more than two hundred realtors and brokers that are with my company, All California Brokerage, Inc. As a member of the Pacific West Association of Realtors, I also shared it with other realtors and brokers whom I knew who were actively selling gas stations. I have handled many transactions in which Circle K has been involved. I brought many offers to Debtor but the offers were not competitive given the fact that a 7-11 (a Major Competitor) has immediately opened up within two blocks of the current Circle K. We had several prospective buyers/ franchisees submit verbal offers, one of which was for \$3,150,000 which was rejected by Debtor.

4. Debtor was demanding \$3,500,000 which I believed was too high considering that there was new competition closeby. In this case, Debtor had refinanced the Property in 2016 and Habib American Bank had conducted an appraisal, valuing the Property at around \$3,300,00. Selling a Circle K is a challenging task. Apart from qualifying the buyer from a financial perspective, they also need to be approved by:

- a. 1. Franchise (Circle K)
- b. 2. ABC License Sign-off and Posting
- c. 3. Franchisee Training (2 weeks in Tempe, AZ) plus One week Back Office Training (SSCS, Salinas CA)



5. Buyer, represented by Niraj Agnihotri, made the offer to purchase the Property and the Circle K Business simultaneously for a total of \$3,300,000. Buyer is a very well qualified experienced purchaser who is already operating two gas stations; He has already:

a. 1. Secured financing to close the deal; a new appraisal was conducted to get the best appraised value

b. 2. ABC License posting is done

c. 3. He has been approved by Circle K as a franchisee; and has completed all his training

6. In light of the above, both Debtor and Buyer have performed all their obligations to close this sale. Once the Court enters the order to approve this sale motion; both the Debtor and Buyer can close this deal in a week's time as all other covenants have been met.

7.

8. Given current market conditions and based upon my marketing efforts, I believe that the Property cannot realistically be sold at a price in excess of that proposed to be paid by Buyer in this market. As a result, the proposed sale of the Property should result in the estate obtaining the highest and best price for the Property. My projected sale of the Property will generate substantial funds to support the estate. Thus, I believe that the proposed sale of the Property is in the best interest of the estate and its creditors.

9. . As a result, I submit that the final purchase price to be paid by Buyer or an overbidder represents a fair and reasonable price for the Property

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on May 31, 2018, at San Bernardino, California.

  
Satish Khosla