

☐ Individual appearing without attorney  
☒ Attorney for: Debtor and Debtor in Possession

Debtor(s).

**Location:** 411 West Fourth Street, Courtroom 5B, Santa Ana, CA 92701-4593

F 6004-2.NOTICE.SALE

**Overbid procedure (if any):** The Sale is subject to higher and better bid through and including the hearing on the Approval Motion, pursuant to sale and overbid procedures determined in the Debtor's sole discretion and subject to Bankruptcy Court approval. Initial overbid will be \$1,550,000 and thereafter in minimum \$5,000 increments.

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

June 6, 2018, 10:00 a.m., Ronald Reagan, Federal Building & Courthouse, 411 West Fourth Street, Courtroom 5B, Santa Ana, CA 92701-4593

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

William H. Brownstein, Esq.  
11755 Wilshire Boulevard, Suite 1250, Los Angeles, CA  
90025-1540 Telephone:(310) 458-0048; Fax:(310) 362-3212  
Email: Brownsteinlaw.bill@gmail.com  
and  
G. Bryan Brannan, Esq.  
Telephone: (818) 383-5559; Fax:(310) 362-3212  
Email: Brannanlaw@yahoo.com

Date: 05/10/2018

Counteroffer re Purchase and Sale of  
841 North Orange Street, La Habra, CA 92631 (Orange County)  
APN# 017-293-30

This is a counteroffer ("Counteroffer") to the April 23, 2018, "Commercial Property Purchase Agreement and Joint Escrow Instructions" received from Beverly & Lucas, LLC (the "Buyer's Offer") for the purchase of the real property commonly known as 841 North Orange Street, La Habra, CA 92631 (Orange County), APN# 017-293-30 ("Property"), by Beverly and Lucas, LLC ("Buyer") from The Bankruptcy Estate of Ron S. Arad, ("Seller" and, together with Buyer, the "Parties"), for the Bankruptcy Estate of Ron S. Arad (Bankruptcy Case No.: 8:18-bk-10486-TA (the "Debtor"))).

When fully-executed below, this Counteroffer will constitute conclusive evidence of the contract for the sale and purchase of the Property (the "Sale") and the Parties' agreement for the Sale, subject to approval by the Bankruptcy Court in the Debtor's Bankruptcy case and further or more complete documentation in Seller's discretion. **This Counteroffer Supersedes the Buyer's Proposal.** Seller may elect to deem this Counteroffer the definitive agreement between the Parties regarding the Sale.

1. Purchase Price: The purchase price for the Property shall be \$1,525,000 all cash (the "Purchase Price").
2. Initial Deposit: Within two (2) business days following Buyer's execution of this Counteroffer, Buyer shall deliver to escrow, together with an executed copy of this Counteroffer, the sum of \$45,000, to be applied toward the Purchase Price (the "Deposit"), as follows:  
  

Antonia Delgado, Escrow Officer  
A & A Escrow Services, Inc.  
415 N. Crescent Drive, Suite 320  
Beverly Hills, CA 90210  
Telephone: (310) 550-6055; Facsimile: (310) 550-6130  
Email: [antonia@aaescrow.com](mailto:antonia@aaescrow.com)
3. Due Diligence Period/Contingencies: Buyer acknowledges that it is familiar with the Property and that the Buyer has previously viewed the Property. Buyer acknowledges and understands that it has **no contingencies** in this contract/transaction.
4. Bankruptcy Court Approval: The Sale is expressly subject to Bankruptcy Court approval in the Debtor's bankruptcy case. As soon as reasonably practical the Bankruptcy Estate will file a motion to approve the Sale with the Bankruptcy Court pursuant to section 363 of the United States Bankruptcy Code (11 U.S.C. § 363) (the "Approval Motion"). As part of such motion, the Seller will request a finding of the Buyer's "good faith" in accordance with section 363(m) of the Bankruptcy Code.

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*Beverly & Lucas LLC*  
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5. Tender of Balance of Purchase Price/Closing: The Sale shall close, with Buyer tendering the full Purchase Price, not more than fifteen (15) calendar days after the entry of an order of the Bankruptcy Court authorizing the Sale.
6. Property Sold "As is" "Where is": The Buyer acknowledges that the Seller is a Bankruptcy Estate. The Seller and or Seller's agents have not, and will not, inspect the Property or determine its condition, fitness or use for any particular purpose, nor will any of them provide any written disclosures, guarantees or warranties of any kind. Seller and Seller's agents are exempt from complying with the requirements of Article 1.5 of the California Civil Code Sections 1102-1102.17 relating to disclosures upon transfer of real property. **The sale shall be "as-is" and "where is" with no warranty or recourse whatsoever.** If any state or local ordinance laws require that the Property be brought into compliance, the Buyer, at its sole expense, shall comply with and pay for any such requirements.
7. Transfer of Property: Transfer of the Property by Seller shall be by Quitclaim Deed. The Seller shall convey and the Buyer shall accept the marketable title to the Property that will be insured by First American Title Company (title representative, Debra Tognetti), without material exception, subject only to the terms of this Counteroffer and any further documentation of the Sale consistent with this Counteroffer.
8. Liens, Claims, Encumbrances and Interests: The Sale shall be free and clear of such Liens, with such liens to attach to the net proceeds in order of their respective extent, validity and priority..
9. Assessments, Taxes and Escrow fees: The following assessments, taxes and other costs shall be allocated as follows: (a) all allowable assessments and real property taxes shall be prorated through the closing date of the Sale to the applicable accounts of the Seller and the Buyer, such that the amounts applicable to the account of the Buyer shall not be deducted from the Purchase Price; (b) escrow fees shall be split equally between the Buyer and the Seller (50/50), such that the amounts allocable to the Buyer shall not be deducted from the Purchase Price; (c) the Seller shall pay real property transfer tax (County and State only) and the costs of a standard issue title insurance policy, such that these taxes and costs shall not be deducted from the Purchase Price; and (d) City transfer tax shall be split equally between Buyer and Seller (50/50), such that the amount allocable to the Buyer shall not be deducted from the Purchase Price. **All other costs are at Buyer's sole expense and are not to be deducted from the Purchase Price.**
10. Overbid: The Sale is subject to notice to creditors and other parties and shall be subject to higher and better bid through and including the hearing

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on the Approval Motion, pursuant to sale and overbid procedures determined in the Seller's sole discretion and subject to Bankruptcy Court approval. Initial overbid will be \$1,550,000 and thereafter in minimum \$5,000 increments.

11. Brokers and Commissions: The Buyer is represented by Pasadena Market Center Inc., CABRE #01444805 ("PMC") and the Seller is represented by GlassRatner Brokerage Services, Inc., CABRE #01980431 ("GR"). Subject to Court approval, the Seller shall pay commission as follows, through escrow: Five percent (5%) total of the Purchase Price: 2.5% to PMC and 2.5% to GR. No commission shall be due and payable except from the cash proceeds of an actual sale of the Property to the Buyer and upon closing of such sale.
12. Seller Right to Terminate: The Seller may decline, at its option and sole discretion, to consummate the Sale for any reason, including without limitation: (a) the dismissal or closure of the Debtor's bankruptcy case; (b) the conversion of the debtor's Chapter 11 bankruptcy case to any other chapter under the Bankruptcy Code; (c) the inability to subordinate any liens on the Property to the expenses of administration; (d) the inability to obtain approval of the Sale by the Bankruptcy Court; or (e) the inability to sell the Property on the terms and conditions set forth herein. The Seller reserves the right, in its sole discretion, to determine not to consummate, and to terminate, the sale of the Property by serving a notice of such termination on the Buyer. No liability or obligations shall accrue to the bankruptcy estate as a result of any such termination. The Buyer's sole remedy, in the event that escrow fails to close as a result of Seller's inability to close escrow, shall be a refund of the Deposit in full.
13. Non-Refundability and Forfeiture of Deposit: Except as set forth above in paragraph 12 to this Counteroffer, immediately upon acceptance of this counteroffer the entirety of the Deposit shall be absolutely non-refundable and forfeited to the Seller. Notwithstanding the immediately preceding sentence, in the event: (a) the Bankruptcy Court enters an order that does not authorize Seller to sell the Property to the Buyer; or (b) the Bankruptcy Court enters an order that authorizes the sale to another bidder and the Buyer is not a backup bidder, Seller shall refund the entire Deposit to the Buyer within ten (10) calendar days following entry of such order of the Bankruptcy Court. In the event the Buyer is overbid and is a backup bidder, Seller shall refund the entire Deposit to the Buyer only if the Sale closes to the winning bidder and within ten (10) calendar days following such closing.

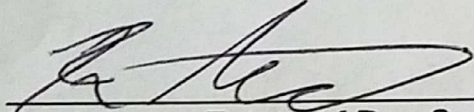
BSL  
(Buyer's initials)

BSL  
(Buyer's initials)



14. Escrow Instructions: Escrow instructions shall be signed by Buyer and Seller within fifteen (15) calendar days after execution of this Counteroffer. In the event that Buyer is unable to close escrow within fifteen (15) calendar days after entry of the Bankruptcy Court's order authorizing the Sale (the "Closing Date"), the Buyer shall compensate the Seller one hundred dollars (\$100.00) per day for each day beyond the Closing date that the Sale does not close for a total extended period of no more than ten (10) calendar days. Thereafter, the Seller shall have absolute discretion to either: (a) provide further extensions of the Closing Date at the same rate of compensation; or (b) terminate the Sale to the Buyer and retain the entirety of the Deposit as liquidated damages.
15. Bankruptcy Court Jurisdiction: The Bankruptcy Court for the Central District of California, Santa Ana Division ("Court"), shall have jurisdiction to interpret and enforce the terms of this Counteroffer. This Counteroffer shall be construed pursuant to the laws of the State of California, except to the extent preempted by applicable bankruptcy law.
16. Expiration of Offer: This Counteroffer shall expire, if not executed by Buyer and delivered to Seller's agent, Brian Thompson, CABRE #01828461, of GlassRatner, on or before 5:00 p.m. PDT, Friday, May 4, 2018.

**Seller:**



Bankruptcy Estate of Ron S. Arad, a Debtor and  
Debtor in Possession under Chapter 11,  
Bankruptcy Case No.: 8:18-bk-10486-TA

5-2-18

Date

**Read, Understood, Agreed To and Accepted:**

**Buyer(s):**

DocuSigned by:

Beverly & Lucas LLC

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Beverly and Lucas LLC - Buyer

5/3/2018

Date

DocuSigned by:

Jagmeet Singh

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Jagmeet Singh (CABRE #01886951) - Buyer's Agent

5/3/2018

Date

LSA

## 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:

11755 Wilshire Boulevard, Suite 1250, Los Angeles, CA 90025-1540

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)* 05/10/2018, 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:

See NEF for confirmation of electronic transmission to the U.S. Trustee and any trustee in this case, and to any attorneys who receive service by NEF

☐ Service information continued on attached page

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

On *(date)* 05/10/2018, 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)* 05/10/2018, 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.

Chambers of the Honorable Theodor Albert, U.S. Bankruptcy Court, Chambers for Courtroom 5B,  
Ronald Reagan Federal Building, 411 W. Fourth Street, Santa Ana, CA 92701

☐ 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.

05/10/2018      William H. Brownstein  
*Date*                      *Printed Name*

/s/ William H. Brownstein  
*Signature*

AMEX  
P.O. BOX 981537  
EL PASO, TX 79998

Bank of the West  
Mortgage Service Center  
P.O.Box 1959  
Honolulu, HI 96805

BK OF AMER  
4060 OGLETOWN/STANTON RDDE5-019-03-07  
DE5-019-03-07  
NEWARK, DE 19713

Brett H. Ramsaur  
RAMSAUR LAW OFFICE  
1535 E. 17th Street, Suite 106  
Santa Ana, CA 92705

Charter One  
RJW214  
P.O.Box 7000  
Providence, RI 02940

DISCOVER  
PO BOX15316ATT:CMS/PROD DEVELOP  
ATT:CMS/PROD DEVELOP  
WILMINGTON, DE 19850-5316

Douglas G. Tennant  
FRANKEL & TENNANT  
895 Dove Street, Suite 119  
Newport Beach, CA 92660

Franchise Tax Board Bankruptcy Section,  
P. O. Box 2952  
Sacramento, CA 95812-2952

Geovanni Rivera  
841 N. Orange Street, Unit D  
La Habra, CA 90631



Geovanni Rivera, Alexis Nicole Salizar  
841 N. Orange Street, Unit D  
LaHabra, CA 90631

Gerardo Garcia, Jonathan Raziel Garcia,  
841 N. Orange Street, Unit H  
La Habra, CA 90631

Gerardo Garcia. Jonathan Raziel Garcia,  
841 N. Orange Street, Unit H  
LaHabra, CA 90631

Gilberto Donis, Elizabeth Barrera, Kater  
841 North Orange Street , Apartment E  
Yorba Linda, CA 90631

Internal Revenue Service  
Vincent T. Dinardo, Revenue Officer  
Employee Identification Number 100981201  
Ogden, UT 84201-0030

Jalmar Properties  
12121 Wilshie Boulevard, Suite 1120  
Los Angeles, CA 90025

Jalmar Properties, Inc.  
12121 Wilshire Bouevard  
Suite 1120  
Los Angeles, CA 90025

Kateryn Elizabeth Donis, Gilberto Daniel  
841 North Orange Street , Apartment E  
La Habra, CA 90631

KAY  
375 GHENT RD.  
AKRON, OH 44333-2668

Lizeth Esquivel and Martin Anthony Esqui  
841 North Orange Street , Apartment A  
La Habra, CA 90631

Lizeth Esquivel, Martin Anthony Esquivel  
841 North Orange Street , Apartment A  
LaHabra, CA 90631

LU BUR SVG  
804 FOURTH ST  
SANTA ROSA, CA 95404-4500

MACYSDSNB  
911 DUKE BLVD  
MASON, OH 45040

Reuven Arad  
27850 Aleutia Way  
Yorba Linda, CA 92887

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27850 Aleutia Way  
Yorba Linda, CA 92887

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27850 Aleutia Way  
Yorba Linda, CA 92887

Reuven Arad  
27850 Aleutia Way  
Yorba Linda, CA 92887

Sara Arad  
2745 N. Crowe Court  
Visalia, CA 93291



Sara Arad  
2745 N. Crowe Street  
Visalia, CA 93291

Sara Arad  
841 N. Orange  
Yorba Linda, CA 90631

SYNCB/TJX  
4125 WINDWARD PLAZA  
ALPHARETTA, GA 30005

TARGET NB  
C/O TARGET CREDIT SERVICESPO BOX 673  
PO BOX 673  
MINNEAPOLIS, MN 55440-0673

Victor Aguirre and Ambrosio Aguirre  
841 North Orange Street , Apartment C  
La Habra, CA 90631