

07/31/2019

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION**

In re	§	
	§	Chapter 11
	§	
CFO MANAGEMENT HOLDINGS, LLC,	§	Case No. 19-40426
<i>et al.</i> ¹	§	
	§	Jointly Administered
Debtors.	§	
	§	

**ORDER APPROVING CHAPTER 11 TRUSTEE'S MOTION TO APPROVE SALE OF
OFFICE FURNITURE AND OTHER STORED ASSETS
UNDER 11 U.S.C. § 363 FREE AND CLEAR
OF ALL LIENS, CLAIMS, ENCUMBRANCES, AND INTERESTS**

CAME ON to be considered the *Chapter 11 Trustee's Motion to Approve Sale of Office Furniture and Other Stored Assets Under 11 U.S.C. § 363 Free and Clear of All Liens, Claims, Encumbrances, and Interests* (the "Motion"),² which was filed by David Wallace, Chapter 11 Trustee (the "Trustee") for the above-captioned bankruptcy cases of CRO Management Holdings, LLC and its co-debtors (the "Debtors"). As more fully set forth in the Motion, this Court finds that it has jurisdiction over this matter pursuant to 28 U.S.C. § 1334; that the Court can hear and determine the Motion in accordance with 28 U.S.C. § 157 and the District Court's standing order of reference; that consideration of the Motion is a core proceeding pursuant to 28 U.S.C. § 157(b); that venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; that due and proper

¹ The Debtors in these chapter 11 cases are as follows: Carter Family Office, LLC, EIN# XX-XXX1652, Case No. 19-40432; CFO Management Holdings, LLC, EIN# XX-XXX6987, Case No. 19-40426; Christian Custom Homes, LLC, EIN# XXXXX4648, Case No. 19-40431; Double Droptine Ranch, LLC, EIN# XX-XXX7134, Case No. 19-40429; Frisco Wade Crossing Development Partners, LLC, # XX-XXX4000, Case No. 19-40427; Kingswood Development Partners, LLC, EIN# XX-XXX1929, Case No. 19-40434; McKinney Executive Suites at Crescent Parc Development Partners, LLC, EIN# XX XXX2042, Case No. 19-40428; North-Forty Development LLC, EIN# XX-XXX5532, Case No. 19-40430; and West Main Station Development, LLC, EIN# XX-XXX7210, Case No. 19-40433. The following mailing address can be used for each of the Debtors with respect to these cases: c/o David Wallace, Chapter 11 Trustee, 4131 North Central Expressway, Suite 775, Dallas, Texas 75204.

² All capitalized terms used but not otherwise defined in herein shall have the meanings ascribed to them in the Motion.

ORDER APPROVING MOTION TO SELL OFFICE FURNITURE A



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notice of the Motion has been provided to the necessary parties; that no other or further notice need be provided; that the relief sought in the Motion is in the best interests of the Debtors' estates, their creditors, and all parties in interest; that the Trustee has established just cause for the relief requested in the Motion; and that, upon all of the proceedings had before the Court and after due deliberation and sufficient cause appearing therefore, it is hereby:

ORDERED that the Motion is **GRANTED** to the extent provided herein; and it is further

ORDERED that the Trustee is authorized to sell the Stored Items free and clear of all liens, claims and encumbrances in accordance with the terms of the auction agreement attached as **Exhibit A** to this Order.; it is further

ORDERED that, upon completion of the inventory of the Stored Items, the Trustee shall file with the Court a notice attaching an itemized list of those items to be sold at the Auction (such list, the "Stored Item Inventory"). Any party asserting a conflicting ownership or other interest in any of the Stored Items must notify the Trustee within seven days of the filing of the Stored Item Inventory or such interest shall be forfeited and such party shall be deemed to have consented to the sale of the applicable Stored Item(s). If a Stored Item is the subject of such a conflicting interest (that is not otherwise resolved prior to the Auction) or a Stored Item is discovered that, in the Trustee's judgment, is of such a nature and/or value as to fall significantly outside of the scope of the relief granted in this Order, the Trustee shall exclude such item from the Auction and request additional approval of the Court prior to any disposition of that item; it is further

ORDERED that as soon as reasonably practicable following the Auction, LaGesse (or whatever auctioneer is approved for the sale of the Stored Items) shall provide the Trustee with the information necessary for the Trustee to file with the Court a "Report of Auction" including (a) an itemized list of the property sold, (b) the name of each purchaser, (c) the price received for

each item, (d) the gross proceeds of the Auction of the Stored Items, (e) the commission paid to LaGessee, and (f) the net proceeds paid to the Trustee; it is further

ORDERED that the Trustee shall file with the Court such a "Report of Auction," containing the information outlined above, as soon as reasonably practicable following receipt of such information from the auctioneer; it is further

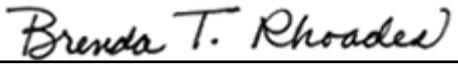
ORDERED that, if one or more objections to the sale of specific items (under the above procedures regarding the Stored Item Inventory) results in the auctioneer having to cover costs for moving and/or storage beyond the time periods contemplated by the Motion, the Trustee is authorized to reimburse the auctioneer for such costs;

ORDERED that the Trustee is authorized and empowered to take all actions necessary to effectuate the relief granted pursuant to this Order; it is further

ORDERED that the terms and conditions of this Order shall be immediately effective and enforceable upon its entry regardless of the applicability of Bankruptcy Rule 6004(h); and it is further

ORDERED that this Court will retain jurisdiction to address all disputes related to the interpretation or enforcement of this Order.

Signed on 7/31/2019

 SR

HONORABLE BRENDA T. RHOADES,
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT A

AUCTIONEER AGREEMENT

CONTRACT FOR CONSIGNMENT SALE OF GOODS
SALE TO BE CONDUCTED AT LAGESSE AUCTIONEERS, LLC.

This contract is entered into by LaGessee Auctioneers, LLC., ("Auctioneer") and David Wallace, Chapter 11 Trustee c/o Trigild, LLC., located at 4131 North Central Expressway, Suite 775, Dallas, Texas 75204. ("Consignor").

1. It is agreed that Consignor hereby commissions Auctioneer to sell certain goods owned by Consignor at public auction to be conducted at the site of Auctioneer's warehouse. Auctioneer and Consignor agree that the catalog of goods, prepared by Auctioneer, is a true and correct listing of all goods delivered by Consignor to Auctioneer to be sold.

2. Consignor hereby represents and warrants that: 1) Consignor has authority over the cataloged goods in his capacity as Chapter 11 trustee of CFO Management Holdings, LLC and its affiliated and joint bankruptcy debtors in Lead Case No. 19-40426 before the U.S. Bankruptcy Court for the Eastern District of Texas (the "Bankruptcy Court"); and 2) in connection with seeking the approval required in paragraph 7 below, Consignor intends to seek approval from the Bankruptcy Court to sell the cataloged goods free from all claims, interests, and encumbrances.

3. Auctioneer and Consignor acknowledge and agree that Auctioneer is serving in the capacity as Consignor's agent for all purposes of the public auction of Consignor's goods, including, but not limited to, advertising, the shipment of Consignor's goods, if arranged by Auctioneer, the loading and unloading of Consignor's goods, if arranged by Auctioneer, the exhibition of Consignor's goods, and the sale of Consignor's goods at auction. Consignor agrees to hold Auctioneer harmless against any claims of any nature that are brought against Auctioneer as a result of the advertising, shipping, loading, unloading, exhibition and sale of the cataloged goods.

4. As payment for Auctioneer's services, Consignor agrees to pay Auctioneer as follows:

A. A Commission in the amount of 25 % of the gross proceeds for all goods sold, (excluding automobiles), not including the buyer's premium of ten percent (10%), which is charged to the purchaser.

B. A Commission in the amount of NA % of the gross proceeds for all automobiles sold, not including the buyer's premium of ten percent (10%), which is charged to the purchaser.

C. Charges for the shipment of goods, if arranged by Auctioneer. Moving cost for moving contents to auction facility, will be deducted from Gross proceeds.

D. Labor Charges consisting of: None

E. Advertising charges consisting of: None

F. Trash Charges consisting of: None

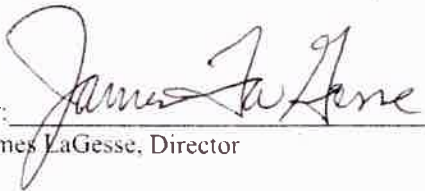
The above amounts will be deducted by the Auctioneer from the monies received at the auction, and the remaining monies will be forwarded by Auctioneer to Consignor within 14 days of the date of the auction.

5. Auctioneer and Consignor agree that all sales tax on the purchase price of the cataloged goods will be withheld by Auctioneer out of the sale proceeds, and paid by Auctioneer to the Texas State Comptroller of Public Accounts on a timely basis. Auctioneer and Consignor agree that the ten percent (10%) buyers premium shall also be withheld by Auctioneer and paid to Auctioneer out of the sale proceeds.

6. Auctioneer and Consignor agree that this written contract is the entire agreement between them, and that no oral representation, made prior or subsequent to this contract, is binding on the parties.

7. Auctioneer and Consignor acknowledge and agree that this contract and the agreement described herein are subject to approval by the Bankruptcy Court of both the Consignor's retention of Auctioneer and of the sale described herein.

LAGESSE AUCTIONEERS, LLC.

By: 
James LaGesse, Director

Dated: 7/3/19

Consignor's Name:

By: 
David Wallace, Chapter 11 Trustee
of CFO Management Holdings, LLC
and its affiliated bankruptcy debtors

Dated: 7/3/19