

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MARYLAND
(Baltimore Division)

In re: *
CAPITAL TEAS, INC. * Case No: 17-19426-RAG
Debtor * (Chapter 11)
* * * * *

DEBTOR’S MOTION TO (I) SELL SURPLUS
ASSETS AND (II) EMPLOY R.L. RASMUS AUCTIONEERS, INC.

Capital Teas, Inc., the debtor and debtor-in-possession (“Capital Teas” or the “Debtor”), by counsel, files this Motion to (I) Sell Surplus Assets and (II) Employ R.L. Rasmus Auctioneers, Inc. (the “Motion”), and states:

Procedural Background

1. On July 11, 2017 (the “Petition Date”), the Debtor filed its voluntary petition under Chapter 11 of the Bankruptcy Code. The Debtor is in possession of its property and will manage its financial affairs as a debtor in possession pursuant to Sections 1107 and 1108 of the Bankruptcy Code.

2. On July 24, 2017, the Office of the United States Trustee filed its Appointment of Unsecured Creditors’ Committee [Dkt. # 45].

3. No request for a trustee or examiner has been made in this Chapter 11 case.

4. This Court has jurisdiction over the subject matter of the Motion pursuant to 28 U.S.C. §§ 157 and 1334. Consideration of this Motion is a core proceeding under 28 U.S.C. § 157(b)(2). Venue of the Bankruptcy Case before this Court is appropriate under 28 U.S.C. §§ 1408 and 1409. The statutory basis for the relief sought herein is §§ 328, 361 and 363(b) of the United States Bankruptcy Code (the “Bankruptcy Code”).

Factual Background

5. The Debtor is a Maryland corporation with its headquarters located in Annapolis, Maryland. The Debtor is a leading American tea retailer that offers one of the most

complete specialty tea collections available anywhere with over 200 premium, organic, and natural teas and infusions, including its own proprietary blends.

6. After closing sixteen retail stores and rejecting three other leases for stores not yet opened as part of its restructuring, the Debtor operates four retail stores in two states and its wholly owned subsidiary, Capital Teas Virginia, LLC, operates three retail stores in Virginia. The Debtor maintains a strong retail web presence and offers a wholesale program whereby its teas are served at some of the finest dining and hospitality venues in the United States.

7. With the surge in tea sales in recent years, the Debtor grew almost 400% measured by the number of stores it operated from 2014 through 2016. However, several retail locations proved to be unprofitable and put a strain on the liquidity and profitability of the Debtor. To protect the inherent value in the business, the Debtor has been proactive in developing strategies to maintain its market position while reassessing its expansion efforts. Consistent with this strategy, the Debtor has rejected leases for nonresidential real property that either the Debtor no longer requires in its ongoing business operations or that present burdensome liabilities. In addition, lagging sales have caused the Debtor to close the following locations where leases were assumed during this bankruptcy case: International Plaza, Tampa, Florida; Towson Town Center; The Mall in Columbia; and Miami International Mall.

Proposed Sale

8. As a result of the closing of several store locations, the Debtor now holds surplus store fixtures, supplies, furniture, and equipment, none of which are necessary to the Debtor's future business operations (the "Surplus Assets").¹ The Surplus Assets are currently stored in the Debtor's central distribution warehouse. A copy of the inventory of the Surplus Assets is attached hereto as **Exhibit 1** and incorporated herein.

9. The Debtor recently met with R.L. Rasmus Auctioneers, Inc. ("Rasmus") to evaluate the Surplus Assets and, based upon this meeting and Rasmus's recommendations, the Debtor believes that there is value in the Surplus Assets that can be monetized through a sale for the benefit of the estate and all creditors.

¹ The Surplus Assets do not include fixtures that are not owned by the Debtor, and the Debtor will not be selling any fixtures or property owned by any other trade vendor.

10. Rasmus is a market leader in internet-only event-based auctions. After reviewing its options, the Debtor has determined that it is in the best interests of its bankruptcy estate to engage Rasmus to sell the Surplus Assets.

11. Rasmus has no known connections with the Debtor, any creditors, any other parties in interest, their respective attorneys and accountants, the United States Trustee, or any person employed by the United States Trustee. Accordingly, the Debtor believes that Rasmus is a disinterested party. To the extent any such connections are discovered, they will be disclosed promptly.

12. Rasmus's Supervised Letter of Agreement (the "Rasmus Agreement") is attached hereto as **Exhibit 2** and incorporated herein. The Debtor seeks authority to execute the same in substantially the same form as attached hereto.

13. Under the Rasmus Agreement, Rasmus will advertise the online auction both online and through print advertisement, prepare the assets for the online auction, conduct the auction on their website, manage the online bidding, and supervise the exchange with the buyers. The Debtor will grant Rasmus access to its premises to allow Rasmus to prepare for the sale and to give the buyers sufficient time to remove their purchases.

14. Rasmus will conduct the auction and provide the other services in exchange for an amount equal to \$3,000 or thirty percent (30%) of the gross sales total generated, whichever is greater, plus a buyer's premium (paid by buyer, not the Debtor) of fifteen percent (15%).

15. The Debtor's first-priority secured creditor is its debtor-in-possession lender, Willard Umphrey (the "DIP Lender"). Mr. Umphrey has a lien against all of the Debtor's assets to secure payment of a DIP loan with a current balance of \$650,000. The Surplus Assets constitute Mr. Umphrey's collateral and may also be encumbered by liens of other secured creditors. The Debtor proposes that any such liens will attach to the proceeds of the auction without any change in priority. To the extent necessary, the Debtor requests that Rasmus's expenses be charged against the Surplus Assets under section 506(c) of the Bankruptcy Code.

Argument

I. AUTHORITY TO SELL THE SURPLUS ASSETS

16. This Court may authorize the sale of the Surplus Assets pursuant to section 363(b)(1) of the Bankruptcy Code. 11 U.S.C. § 363(b)(1) (2012). The sale of the assets of a debtor outside of the ordinary course of business may be approved by a bankruptcy court when: (i) there is a sound business reason for the sale; (ii) accurate and reasonable notice is provided to interested parties; (iii) the price is fair, reasonable, and adequate; and (iv) the sale is made to the purchaser in good faith. *See, e.g., In re Del. & Hudson Ry. Co.*, 124 B.R. 169, 176 (D. Del. 1991); *In re Stroud Ford, Inc.*, 163 B.R. 730, 732 (Bankr. M.D. Pa. 1993); *In re Titusville Country Club*, 128 B.R. B.R. 396, 399 (Bankr. W.D. Pa. 1991); *In re Indus. Valley Refrigeration & Air Conditioning Supplies, Inc.*, 77 B.R. 15, 21 (Bankr. E.D. Pa. 1987).

17. The paramount goal in any proposed sale of property of the estate is to maximize the proceeds received by the estate. *See, e.g., Four B. Corp. v. Food Barn Stores, Inc.*, 107 F.3d 558, 564-65 (8th Cir. 1997) (in bankruptcy sales, “a primary objective of the Code [is] to enhance the value of the estate at hand.”); *Official Comm. of Subordinated Bondholders v. Integrated Resources, Inc. (In re Integrated Resources, Inc.)*, 147 B.R. 650, 659 (S.D.N.Y. 1992) (“It is a well-established principle of bankruptcy law that the objective of bankruptcy rules and the [Debtor’s] duty with respect to such sales is to obtain the highest price or greatest overall benefit possible for the estate.”) (quoting *In re Atlanta Packaging Prods., Inc.*, 99 B.R. 124, 131 (Bankr. N.D. Ga. 1988)).

A. The Debtor’s Business Judgment

18. Section 363(b)(1) of the Bankruptcy Code provides that a trustee, “after notice and a hearing, may use, sell, or lease, other than in the ordinary course of business, property of the estate [. . .]” 11 U.S.C. § 363(b)(1). A trustee must articulate a valid business justification to obtain court approval to proceed with asset sales outside of the ordinary course of business under section 363(b) of the Bankruptcy Code. *See, e.g., United States ex rel. Rahman v. Oncology Assocs., P.C.*, 269 B.R. 139, 161 (D. Md. 2001) (“The standard to be applied by a court in determining whether or not to approve the disposition of property [under Section 363 of

the Bankruptcy Code] is whether the trustee exercised sound business judgment.”); *In re Modanlo*, 412 B.R. 715, 732 (Bankr. D. Md. 2006); *see also Fulton State Bank v. Schipper (In re Schipper)*, 933 F.2d 513, 515 (7th Cir. 1991).

19. Generally, courts within the Fourth Circuit consider four factors in connection with a proposed sale under section 363 of the Bankruptcy Code: (1) a sound business purpose exists; (2) the sale price is fair; (3) the debtor has provided adequate and reasonable notice; and (4) the purchaser has acted in good faith. *In re Shipman*, 344 B.R. 493, 495 (Bankr. N.D. W. Va. 2006); *In re Childers*, 526 B.R. 608, 2, 612 (Bankr. D.S.C. 2015); *see also Rose v. Logan*, No. BR 12-25471-RAG, 2014 WL 1236008, at *7 (D. Md. Mar. 25, 2014), *appeal dismissed* (Aug. 19, 2014) (citing *In re Siskind*, No. 02-65786-NVA, 2008 WL 2705528, at *6 (Bankr. D. Md. July 3, 2008).

20. “Where the [trustee] articulates a reasonable basis for its business decisions (as distinct from a decision made arbitrarily or capriciously), courts will generally not entertain objections to the [trustee’s] conduct.” *Committee of Asbestos-Related Litigants and/or Creditors v. Johns-Manville Corp. (In re Johns-Manville Corp.)*, 60 B.R. 612, 616 (Bankr. S.D.N.Y. 1986).

21. Here, selling the Surplus Assets at auction is in the Debtor’s and its creditors’ best interests because, among other things:

- (a) Rasmus’s auctions are nationally and internationally advertised, and are likely to maximize the net sales proceeds;
- (b) The compensation and expense reimbursement payable to Rasmus is fair, reasonable, and appropriate;
- (c) Selling the Surplus Assets will allow the Debtor to realize any equity in such Surplus Assets and generate cash collateral for its Court-approved needs; and
- (d) Selling the Surplus Assets will allow the Debtor to save costs associated with such Surplus Assets, including maintenance, insurance, and other costs associated therewith.

B. Notice of the Sale

22. The Debtor is serving this Motion, together with the Rasmus Agreement, in accordance with the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, the Local Bankruptcy Rules, and any applicable orders of the Court.

C. Proposed Purchase Price

23. Because the purchase prices for the Surplus Assets will be determined by full, fair, open, and well-advertised auctions, the purchase prices will be the best that the Debtor can reasonably obtain.

D. Good Faith of the Debtor and Proposed Buyers

24. Because the Surplus Assets would be sold at a full, fair, and open auction, each buyer will be bidding and buying in good faith, and will have no unfair advantage over any other buyer. All buyers should therefore be entitled to the maximum protections of section 363(m) of the Bankruptcy Code.

II. AUTHORITY TO SELL FREE AND CLEAR

25. As noted above, the Surplus Assets are encumbered by liens held by Mr. Umphrey and other secured creditors. The Debtor asserts that Mr. Umphrey is in favor of selling the Surplus Assets through the Rasmus auction. Since the proceeds from each item to be sold will be known and readily identifiable, it will not be difficult or burdensome for any lien creditor to know what the proceeds of the sale of its collateral are.

26. As stated above, the Debtor intends for any liens on the Surplus Assets to attach to the proceeds of the sale. The Debtor proposes to deposit all net proceeds of the Surplus Assets into its DIP account to be used in accordance with the approved cash collateral budget. Any and all remaining liens, claims, interests, and encumbrances against the Surplus Assets would attach to said proceeds, with the same extent, validity, and priority as otherwise exists.

27. Section 363(f) of the Bankruptcy Code authorizes the Debtor to sell property outside of the ordinary course of business “free and clear of any interest in such property of an entity other than the estate, only if –

- (1) applicable nonbankruptcy law permits 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).

28. The Debtor may sell property free and clear if any one of these five conditions is satisfied. *See Newport Acquisition Co. No. 1 L.L.C. v. Crossroads Capitals Partners L.L.C. (In re C-Power Prods. Inc.)*, 230 B.R. 800, 803 (Bankr. N.D. Tex. 1998); *see also Futuresource LLC v. Reuters Ltd.*, 312 F.3d 281, 285 (7th Cir. 2002); *Citicorp Homeowners Servs. Inc. v. Elliot (In re Elliot)*, 94 B.R. 343, 345 (Bankr. E.D. Pa. 1988). Here, Mr. Umphrey has consented to the sale, and the Debtor does not expect any other secured creditor or taxing authority to contest the proposed sale. Therefore, the Debtor may sell the Surplus Assets free and clear of all liens, claims, interests, and encumbrances.

III. ADEQUATE PROTECTION

29. As noted, all liens, claims, interests, and encumbrances in and to the Surplus Assets will attach to the proceeds with the same validity, extent, and priority as exists, and the proceeds will be deposited into a segregated account opened by the Debtor for that purpose. The Bankruptcy Code expressly contemplates granting replacement liens as a form of adequate protection. 11 U.S.C. § 361. Thus, any creditor with a lien, claims, interest or encumbrance in and to the Surplus Assets will be adequately protected.

IV. RETENTION OF RASMUS

30. Section 327 of the Bankruptcy Code specifically empowers a debtor to retain one or more auctioneers, subject to the Court's authority. Section 328 of the Bankruptcy Code permits the payment of the fees and expenses of any such auctioneer on any reasonable terms. Here, neither Rasmus nor any other reasonable auctioneer would work on anything other than a pre-approved basis that is not subject to the filing and approval of a formal fee application. Thus, the Debtor requests that the Court approve Rasmus, approve the Debtor's entry into the

Rasmus Agreement and approve Rasmus's compensation as provided for in the Rasmus Agreement under section 328 of the Bankruptcy Code and not subject to any fee application, subject to filing with the Court a report of the auction under the Bankruptcy Rules at the appropriate time. With respect to Rasmus's expenses, Rasmus will provide notice of such expenses and subject them to approval under section 330(a) of the Bankruptcy Code and will comply with all applicable guidelines related to expenses in bankruptcy cases.

V. SURCHARGE

31. To the extent necessary, the Debtor requests that the Court approve Rasmus's expenses, as otherwise provided for in Rasmus Agreement, as a surcharge against the Surplus Assets and their proceeds under section 506(c) of the Bankruptcy Code, which specifically provides for a surcharge against collateral for the costs of the disposition of such collateral.

No Stay of Order

32. Pursuant to Rule 6004(h) of the Bankruptcy Rules, the Debtor request that the Court waive the fourteen (14) day stay of any final order granting this Motion and order that the final relief requested in this Motion be immediately available upon the entry of an order approving the Sale.

WHEREFORE, based upon the foregoing, the Debtor respectfully requests that the Court enter an Order:

- A. Granting this Motion in its entirety;
- B. Authorizing the sale of the Surplus Assets at the referenced Rasmus auction;
- C. Authorizing such sale free and clear of all liens, claims, interests, and encumbrances, with all such liens, claims, interests, and encumbrances attaching to the net proceeds of such sale with the same validity, extent, and priority as otherwise exists;
- D. Authorizing the Debtor to deposit the proceeds from the sale of the Surplus Assets in its DIP account and to use the proceeds in accordance with an approved cash collateral budget;

- E. Approving the retention of Rasmus and authorizing the payment of expenses and compensation to Rasmus under section 328 of the Bankruptcy Code and as provided for in the Rasmus Agreement;
- F. Authorizing the Debtor to execute and to enter into the Rasmus Agreement;
- G. Authorizing a surcharge against the Surplus Assets and its proceeds as requested above; and
- H. Granting the Debtor all such other and further relief to which it may justly be entitled.

/s/ Lawrence J. Yumkas
Lawrence J. Yumkas, 06357
Lisa Yonka Stevens, 27728
Yumkas, Vidmar, Sweeney & Mulrenin, LLC
10211 Wincopin Circle, Suite 500
Columbia, Maryland 21044
(443) 569-0758
lyumkas@yvslaw.com

Counsel for Debtor

CERTIFICATE OF SERVICE

I hereby certify that on the 8th day of May 2018, notice of filing the Motion to (I) Sell Surplus Assets and (II) Employ R.L. Rasmus Auctioneers, Inc. was served by CM/ECF to those parties listed on the docket as being entitled to such electronic notices (see attached), and a copy of the Motion was mailed first class, postage prepaid to the parties on the attached service list.

/s/ Lawrence J. Yumkas
Lawrence J. Yumkas

The following parties received a copy of the filing by first class mail:

ACE Funding Source, LLC
366 North Broadway, Suite 410
Jericho, NY 11753

Corporation Service Company, as rep.
P. O. Box 2576
Springfield, IL 62708

Crestview Financial LLC
1430 Broadway, Suite 402
New York, NY 10018-3308

Edward Don & Company
2562 Paysphere Circle
Chicago, IL 60674

Express Capital Funding
130 South Chaparral Court, Suite 245
Anaheim, CA 92808

Tax Guard, Inc.
1750 14th Street, Suite 201
Boulder, CO 80302

WebBank
215 South State Street, Suite 1000
Salt Lake City, UT 84111

Kenneth S. Leonetti, Esquire
Robert G. Sawyer, Esquire
Foley Hoag LLP
155 Seaport Boulevard
Boston, Massachusetts 02210-2600

Andrew S. Conway, Esquire
The Taubman Company
200 East Long Lake Road, Suite 300
Bloomfield Hills, Michigan 48303

Ronald M. Tucker, Esquire
Counsel for Simon Property Group, Inc.
and its related entities
225 West Washington Street
Indianapolis, Indiana 46204

The following parties received CM/ECF notice of the filing:

Laurence H. Berbert, Esquire
(lberbert@bregmanlaw.com)
Counsel for Eskridge (E&A), LLC
7315 Wisconsin Avenue, Suite 800 West
Bethesda, Maryland 20814

Geri Lyons Chase, Esquire
(gchase@glchaselaw.com)
Counsel for Amerishop Suburban, L.P.
2007 Tidewater Colony Drive, Suite 2B
Annapolis, Maryland 21401

Justin P. Fasano, Esquire
(jfasano@mhlawyers.com)
Counsel for Cristina Fernandez, Nicole Elhaj,
Christina Cytryn, and Allison Cutler
McNamee, Hosea
6411 Ivy Lane, Suite 200
Greenbelt, Maryland 20770

Jonathan L. Gold, Esquire
(jlgold@michaelbest.com)
Counsel for the Committee
Michael Best & Friedrich LLP
601 Pennsylvania Avenue, NW
Suite 700 South
Washington, D.C. 20004

Richard Edwin Lear, Esquire
(richard.lear@hklaw.com)
Counsel for Regal Dynamic Contracting
Holland and Knight LLP
800 17th Street NW, Suite 1100
Washington, D.C. 20006-6801

Katherine A. Levin, Esquire
(katherine.a.levin@usdoj.gov)
United States Department of Justice
101 West Lombard Street, Suite 2625
Baltimore, Maryland 21201

Adam M. Lynn, Esquire
(alynn@mdswlaw.com)
Counsel for ShoreGate of Margaret
Avenue, LLC
McAllister, DeTar, Showalter & Walker
100 North West Street
Easton, Maryland 21601

Tracey M. Ohm, Esquire
(tracey.ohm@stinson.com)
Counsel for Staples and Charles
Stinson Leonard Street LLP
1775 Pennsylvania Ave. NW, Suite 800
Washington, D.C. 20006

Craig Palik, Esquire
(cpalik@mhlawyers.com)
Counsel for Cristina Fernandez, Nicole Elhaj,
Christina Cytryn, and Allison Cutler
McNamee, Hosea
6411 Ivy Lane, Suite 200
Greenbelt, Maryland 20770

Andrew Blake Schulwolf, Esquire
(andrew@albertandschulwolf.com)
Counsel for NH-D Retail Investment, LLC
Albert & Schulwolf, LLC
110 North Washington Street, Suite 300
Rockville, Maryland 20850

Lisa Yonka Stevens, Esquire
(lstevens@yvslaw.com)
Counsel for Debtor
Yumkas, Vidmar, Sweeney & Mulrenin
10211 Wincopin Circle, Suite 500
Columbia, Maryland 21044

Matthew G. Summers, Esquire
(summersm@ballardspahr.com)
Counsel for GGPLP, Federal Realty Inv. Trust,
Taubman Company, Annapolis Mall Owner
Ballard Spahr LLP
300 East Lombard Street, 18th Floor
Baltimore, Maryland 21202

Mark D. Taylor, Esquire
(mtaylor@vlpawgroup.com)
Counsel for Strategic Funding Source Inc.
VLP Law Group
1629 K Street, NW, Suite 300
Washington, DC 20006

US Trustee – Baltimore
(ustpregion04.ba.ecf@usdoj.gov)
101 West Lombard Street, Suite 2625
Baltimore, Maryland 21201

James E. Van Horn, Esquire
(jvanhorn@mcguirewoods.com)
Counsel for Umphrey, USB Focus Fund XXIX,
LLC and USB Focus Fund Capital Teas 2, LLC
McGuireWoods, LLP
7 Saint Paul Street, Suite 1000
Baltimore, Maryland 21202-1671

Lawrence J. Yumkas, Esquire
(lyumkas@yvslaw.com)
Counsel for Debtor
Yumkas, Vidmar, Sweeney & Mulrenin
10211 Wincopin Circle, Suite 500
Columbia, Maryland 21044

EXHIBIT 1

Item	Model	Serial Number	Size (inches)	Warehouse ID
Maytag AC	SMPEB08F2A	AP0019830212		A1
Uline Black Powder Coated Shelving Post			86	A2
Uline Black Powder Coated Steel Shelves			48x12x2	A3
Cash Register	VB320-BL1616	6.5171E+13		A4
Cash Register	37965600	1.6161E+12		A5
Cash Register	VB320-BL1618	6.5171E+13		A6
Cash Register	Printer Driven	3256273		A7
Cash Register	WCD-5000	14040243		A8
Cash Register	WCD-5000	14070055		A9
Cash Register	WCD-5000	14030580		A10
Cash Register	55921	6.06791E+12		A11
Cash Register	Printer Driven	3269614		A12
Cash Register	Printer Driven	3234968		A13
Cash Register	WCD-5000	14070071		A14
Cash Register	N/A	N/A		A15
Cash Register	N/A	N/A		A16
Cash Register	N/A	N/A		A17
Cash Register	VB320-BL1630	6.5171E+12		A18
Cash Register	N/A	N/A		A19
Cash Register	VB320-BL1632	6.5171E+12		A20
Cash Register	Printer Driven	P112175		A21
Cash Register	WCD-5000	14060107		A22
Cash Register	VB320-BL1616	6.5171E+13		A23
Uline Crome Plated Steel Shelves			72x24x2	A24
Uline Crome Plated Steel Shelves			72x18x2	A25
Uline Crome Plated Steel Shelves			72x12x2	A26
Uline Crome Plated Steel Shelves			60x24x2	A27
Uline Crome Plated Steel Shelves			60x18x2	A28
Uline Crome Plated Steel Shelves			48x24x2	A29
Uline Crome Plated Steel Shelves			48x18x2	A30
Uline Crome Plated Steel Shelves			36x18x2	A31
Uline Crome Plated Steel Shelves			36x12x2	A32
Uline Crome Plated Steel Shelves			30x24x2	A33
Uline Crome Plated Steel Shelving Post			96	A34
Uline Crome Plated Steel Shelving Post			86	A35
Uline Crome Plated Steel Shelving Post			72	A36
Uline Crome Plated Steel Shelving Post			60	A37
Uline Crome Plated Steel Shelving Post			54	A38
Uline Crome Plated Steel Shelving Post			44	A39
HOBART Dishwasher	130017	231096681		A40

Beverage AirFreezer	UCF27A2423	11605866	A41
Beverage AirFreezer	UCF27A2423	11301947	A42
Beverage AirFreezer	UCF27A2423	11301949	A43
Continental AirFreezer	SWP27	14437819	A44
Maximum Freezer	MSF23NM	NF23911004	A45
True Freezer	TWT27F	5143920	A46
Symphony Ice and Water Dispenser	RefrigR404A	C9958419910	A47
Ice-O-matic Ice Maker	GEMU090	1.40113E+13	A48
Ice-O-matic Ice Maker	HISU070FA	1.40113E+13	A49
Ice-O-matic Ice Maker	ICEU150FA5	1.41213E+13	A50
Ice-O-matic Ice Maker	ICEU220HA3	1.40713E+13	A51
Ice-O-matic Ice Maker	ICEU220HA3	1.40713E+13	A52
Manitowc Ice Maker	U40240A161B	310339102	A53
Manitowc Ice Maker	U40240A161B	310339182	A54
Manitowc Ice Maker	ID0322A161	1120132747	A55
Manitowc Ice Maker	UDO140A161B	310324144	A56
Manitowc Ice Maker	UDO140A161B	310324115	A57
Manitowc Ice Maker	UDO140A161B	310333126	A58
Ice-O-matic Ice Maker	IB450SSP	16052340395	A59
Scotsman (Prodigy Plus) Ice Maker	CO530SA1D	1.50113E+13	A60
SPT Ice Maker	IM15US		A61
Curtis Concourse Series Ice Tea maker	PTT310056	1112722	A62
Turbo Merchandiser	TOMWW405B	TMW40184014	A63
Turbo Merchandiser	TOMWW405B	TMW40195002	A64
McCay Merchandiser	SCD32E6LS	1309402	A65
Beverage Air Refridgerator	UCR27A23	11211971	A66
Beverage Air Refridgerator	UCR27A23	11211972	A67
Beverage Air Refridgerator	UCR27A23	11604016	A68
Haier Refridgerator	HBCN05FVS	1002004648	A69
Hoshizaki Refridgerator	CRMR27	EG1177L	A70
Hoshizaki Refridgerator	CRMR27	F51809A	A71
Perlick Refridgerator	HB24FSO	758463	A72
Perlick Refridgerator	HB24RSO	758464	A73
Perlick Refridgerator	HB24RSO	758465	A74
Perlick Refridgerator (Silver)	HA24FB31L	747468	A75
True Refridgerator	TBB25	6603106	A76
True Refridgerator	TBB25	6603107	A77
Migali Refridgerator	C1R	C1R14051492010	A78
Beverage Air Refridgerator & Freezer	UCRF48A15AA	11105822	A79
EXL Safe		EX20060119005	A80
Mesa Safe		PGMFL160100889	A81
Mesa Safe		PGMFL160600696	A82
Mesa Safe		PGMFL160101029	A83
Mesa Safe		PGMFL131200132	A84
Mesa Safe		PGMFL140900151	A85
Mesa Safe		PGMFL141100624	A86

Paragon Safe		80880		A87
Paragon Safe		80809		A88
Fetco Water Boiler	HWD21101048100129	2.1101E+13		A89
Fetco Water Boiler	HWD2110T0D	2.1101E+13		A90
Fetco Water Boiler	HWD2110T0D	2.1101E+13		A91
Fetco Water Boiler	HWD2110T0D	2.1101E+13		A92
Fetco Water Boiler	HWD2110T0D	2.1101E+13		A93
Fetco Water Boiler	HWD2110T0D	2.1101E+13		A94
Fetco Water Boiler	HWD2110T0D	2.1101E+13		A95
Fetco Water Boiler	HWD2110T0D	2.1052E+13		A96
Fetco Water Boiler	HWD2110T0D	2.1052E+13		A97
Fetco Water Boiler	HWD2110T0D	2.1052E+13		A98
Fetco Water Boiler	HWD2110T0D	2.1052E+13		A99
Fetco Water Boiler	HWD2110T0D	2.1101E+13		A100
Fetco Water Boiler	HWD2110T0D	2.1101E+13		A101
Fetco Water Boiler	HWD2110T0D	2.1052E+14		A102
Fetco Water Boiler	HWD2110T0D	2.1101E+13		A103
Fetco Water Boiler	HWD2110T0D	2.1101E+13		A104
Fetco Water Boiler	HWD2110T0D	2.1101E+13		A105
Fetco Water Boiler	HWD2110T0D	2.1101E+13		A106
Fetco Water Boiler	HWD2110T0D	2.1101E+13		A107
Fire Extinguisher	10H1SA80ABC	B06436221		A108
Fire Extinguisher	10H1SA80ABC	B06436166		A109
Fire Extinguisher	B456	B73621908		A110
Fire Extinguisher	B456	B72610428		A111
Fire Extinguisher	Pro4TCM9P2103	A33754249		A112
Fire Extinguisher	Pro4TCM9P2103	A37770324		A113

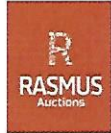
Item	Brand	Model	Serial Number	Warehouse ID
Card Reader	MAGTEK	30050400	98EE88E402161E0F	B1
Card Reader	MAGTEK	30050400	98EE8044060E000F	B2
Card Reader	MAGTEK	30050400	98EE88E41217040F	B3
Card Reader	MAGTEK	30050400	98EE8044741B720F	B4
Card Reader	MAGTEK	30050400	98EE88E4111A050F	B5
Card Reader	MAGTEK	30050400	98EE8044160F030F	B6
Card Reader	MAGTEK	30050400	98EF1444111611A0F	B7
Card Reader	MAGTEK	30050400	98EE88E4171D080F	B8
Card Reader	MAGTEK	30050400	98EC20000419110F	B9
Card Reader	MAGTEK	30050400	98EB0C860F0B220E	B10
Card Reader	MAGTEK	30050400	98EC20000C0A1S0F	B11
Card Reader	MAGTEK	30050400	98EC1D2814080D0F	B12
Card Reader	MAGTEK	30050400	98EE88E40A12080F	B13
Card Reader	MAGTEK	30050400	98EC2000121C210F	B14
Card Reader	MAGTEK	30050400	98EE884013050F	B15
Printer	Star	TSP650	330481000022	B16
Printer	Star	TSP100IJ	24001100602900	B17
Printer	Epson	M129H	JHP6023551	B18
Printer	Epson	M244A	MXDF486890	B19
Printer	Epson	M244A	MXDF486900	B20
Printer	Epson	M244A	QMCF441008	B21
Printer	Epson	M244A	MXDF480395	B22
Printer	Epson	M244A	QMCF437308	B23
Printer	Epson	M244A	MXDF480429	B24
Printer	Epson	M244A	QMCF447075	B25
Printer	Epson	M244A	MXDF491044	B26
Printer	Epson	M244A	MXDF499678	B27
Printer	Epson	M244A	MXDF499573	B28
Printer	Epson	M244A	QMCF442543	B29
Printer	Zebra	LP2824 Plus	36J143102552	B30
Printer	Zebra	LP2824	22J113302044	B31
Printer	Zebra	LP2824	22A062900724	B32
Printer	Zebra	LP2824	36J10160002	B33
Printer	Zebra	LP2824 Plus	36J10160002	B34

Printer	Zebra	LP2824 Plus	36J10341269	B35
Printer	Zebra	GX420t	31J143700493	B36
Printer	Zebra	GX420t	31J140700803	B37
Printer	Zebra	GX420t	31J140700824	B38
Printer	Zebra	GX420t	31J40600158	B39
Scale	CAS	SW-1(10LB)	SW0543412	B40
Scale	METTLER T	XRW11-1227-000	RW064836CJ	B41
Scale	CAS	SW-1(10LB)	SW0550619	B42
Scale	CAS	SW-1(10LB)	SW0543386	B43
Scale	CAS	SW-1(10LB)	SW0943159	B44
Scale	CAS	SW-1(50LB)	SW1233485	B45
Scale	CAS	SW-1(10LB)	SW0660297	B46
Scale	CAS	SW-1(10LB)	SW0250720	B47
Scanner	Wasp	WW5550	0023563	B48
Scanner	Wasp	WW5550	0023625	B49
Scanner	Wasp	WW5550	0022807	B50
Scanner	Wasp	WW5550	0023034	B51
Scanner	Symbol	16SEP15	Z0FXVWV	B52
Scanner	Symbol	16SEP15	Z0FWY0	B53
Scanner	Symbol	16SEP15	Z0FWY5	B54
Scanner	Symbol	16SEP15	Z0FWY2	B55
Scanner	Symbol	16SEP15	Z0FWY4	B56
Scanner	Symbol	16SEP15	Z0FWYB	B57
Scanner	Symbol	16SEP15	Z0FWY3	B58
Scanner	Symbol	10JUN14	YCWGFN	B59
Scanner	Symbol	3800G	Z0FWY3	B60
Amplfier	Bose	IZA190-HZ	056699Z53440666AE	B61
Amplfier	Bose	IZA190-HZ	056699Z53550291AE	B62
Amplfier	Bose	IZA190-HZ	056699Z50180534AE	B63
Amplfier	Bose	IZA190-HZ	056699Z53440862AE	B64
Card Reader	MAGTEK	30050400	98EE80441118210F	B65
Card Reader	MAGTEK	30050400	98EE88E40C0E020F	B66
Card Reader	MAGTEK	30050400	98CC20C2061A1F0D	B67
Card Reader	MAGTEK	30050400	98C20000C100D0F	B68
Card Reader	MAGTEK	30050400	4357003D040D0C0B	B69
Card Reader	MAGTEK	30050400	98DE99220309780E	B70
Card Reader	MAGTEK	30050400	98EC1D280D1F090F	B71
Card Reader	MAGTEK	30050400	98EE88E4171D080F	B72
Card Reader	MAGTEK	30050400	98CC15020674070D	B73
Card Reader	MAGTEK	30050400	98EE88E40377060F	B74

Card Reader	MAGTEK	30050400	98EC2000041B160F	B75
Card Reader	MAGTEK	30050400	98EC1D280374050F	B76
Card Reader	MAGTEK	30050400	98EE80440417200F	B77
Card Reader	MAGTEK	30050400	98EC20000C0A150F	B78
Card Reader	MAGTEK	30050400	98EE88E40517150F	B79
Card Reader	MAGTEK	30050400	98EE88E40517150F	B80
Card Reader	MAGTEK	30050400	98EC200011030B0F	B81
Card Reader	MAGTEK	30050400	98CC1502071C0C0D	B82
Card Reader	MAGTEK	30050400	98EE88E40411150F	B83
Card Reader	Ingenico	I3070	I3070MPTU38C02360658	B84
Card Reader	Ingenico	I3070	I3070MPTU38C02360647	B85
Card Reader	Ingenico	IPP350	14233PP80926791	B86
Card Reader	Ingenico	IPP351	14361PP8727688	B87
Card Reader	Ingenico	IPP352	14232PP80922894	B88
Card Reader	VeriFone	OMNI5700	211945457	B89

Item name	Color	Quantity	size (LxWxH - inch)	Warehouse ID
Signcade Curb Sign Display	White	4	23x2x48	C1
Wind Master Sign Display with stand	Black	3	30x3x53	C2
Banner Stand	Black	13	23x12x65	C3
DSA Electric Display Illuminator	White	1	32x2x26	C4
Wooden Shelf with cubicals	White	2	55x12x77	C5
Wooden Display Shelf	Black	2	38x15x97	C6
Wooden Door	White	1	35x1x82	C7
Wooden Cabinet	Black	1	24x24x17	C8
Register Stand	Black	1	41x16x34	C9
Restaurant Kitchen Door	Silver	1	35x1x82	C10
Double Door Display Island Cabinet	Black	8	48x24x35	C11
Display Island Cabinet	Black	5	48x30x34	C12
Trash Can (Plastic)	Black	11	Large	C13
Trash Can (Plastic)	Black	1	Medium	C14
Trash Can (Plastic)	Black	1	Small	C15
Trash Can (Plastic)	White	1	Small	C16
Trash Can (Metal)	Silver	1	Medium	C17
Trash Can Lid (Plastic)	Black	8	Large	C18
Trash Can Lid (metal)	Silver	1	Medium	C19
Trash Can Lid (plastic)medium	Black	1	medium	C20
Two doors storage Cabinet	White	1	Small	C21
Sampling Cart	Black	6	36x27x3	C22
Two doors cabinet	Black	11	Small	C23
Sink	Silver	1	Large	C24
Sink	Silver	1	Small	C25
Cabinets	Black	1	41x16x34	C26
Glass Display	Black	3	14x14x34	C27
Glass		6	36x15x3/8	C28
Cup dispenser	Black	9	6x6x2	C29
Straw, sugar, lid, napkin holder	Silver	6	22x	C30
Straw, sugar, lid, napkin holder	Black	3	Large	C31
Straw, sugar, lid, napkin holder	Black	3	small	C32

EXHIBIT 2



Rasmus-Supervised Letter of Agreement

This Letter of Agreement (“the Agreement”) is made by and between R.L. Rasmus Auctioneers, Inc., d/b/a Rasmus Auctions (“Rasmus”) and Capital Teas, Inc. (“Seller”) (each, a “Party,” and together, “the Parties”).

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, the Parties agree as follows:

- 1. Engagement.** Seller hereby engages Rasmus to conduct an online sale of Seller’s Equipment assets, commonly located at 1814 Margaret Av., Annapolis, MD 21401 (“the Assets”), via an Internet-only auction of the Assets (“the Auction”). Seller grants Rasmus the sole and exclusive right to offer for sale and to sell the Assets pursuant to the terms of this Agreement.
- 2. Presale Inspection.** Seller will cooperate with Rasmus to arrange for potential bidders to be given the opportunity to inspect the Assets prior to the Auction. Such inspection (“the Inspection”) will take place at 1814 Margaret Ave., Annapolis, MD 21401 on May 3, 2018 from 10:00 am to 4:00 pm Eastern Standard Time (EST). Rasmus may alter the time, date, and location of the Inspection in its sole discretion.
- 3. Closing Time.** The Auction will begin closing on May 7 at 11:00 am EST (“the Closing Time”). Rasmus may alter the Closing Time in its sole discretion.
- 4. Removal.** Seller will cooperate with Rasmus to arrange for successful bidders or their agents to take possession of the Assets and remove the Assets from their present locations. Such removal (“the Removal”) will take place at 1814 Margaret Ave., Annapolis, MD 21401 on May 8, 2018 from 8:00 am to 5:00 pm EST. Rasmus may alter the time, date, and location of the Removal in its sole discretion. The final day for removal will be the “Final Removal Date.” Seller agrees that Rasmus will have no liability for any claim or loss arising out of the Removal, and Seller agrees to indemnify and hold Rasmus harmless for and against any such claim or loss.
- 5. Auction Conditions.** Seller agrees that the Assets will be auctioned absolute and without reserve, such that Seller will be considered to have accepted the highest bid from a registered bidder without condition or reservation. Rasmus reserves the right to group and/or divide Assets into appropriate lots for sale, and to control all Auction-related procedures. Rasmus will have the final say with respect to disputes arising between Rasmus and any bidder or buyer. In the event of a default by any high bidder, Rasmus will resell the relevant Asset(s) by means of a public or private sale as Rasmus deems appropriate, and Seller agrees to accept the result such alternative resale regardless of the nature of such result. **ALL ASSETS WILL BE SOLD “AS IS, WHERE IS” TO THE HIGHEST BIDDER WITHOUT ANY EXPRESS OR IMPLIED WARRANTY.**
- 6. Rasmus’s Services.** Rasmus will be responsible for (a) producing a written inventory of the Assets, (b) promoting the Auction, (c) staffing the Inspection, (d) conducting the Auction, and (e) supervising the Removal. Rasmus makes no warranty or guarantee regarding whether any Asset will be sold, nor the price at which any Asset will be sold, and Seller agrees that no such warranty or guarantee has been made.

7. **Cleaning, Salvage, and Utility Management.** At Rasmus's request, Seller will disconnect or maintain utilities - including water and electric - in order to facilitate the inventory, inspection, and removal of the Assets. Seller will perform any cleaning- and salvage-related activity that needs to be performed. If Seller requires assistance with cleaning- and salvage-related activity, Rasmus may - at Rasmus's sole option - agree to assist Seller for an added fee, plus the cost of expenses.
8. **Auction Fee.** Seller agrees to pay Rasmus an amount equal to 3000.00 or Thirty percent 30 % which ever is Greater of the gross sales total generated from the sale of the Assets ("the Auction Fee"); such Auction Fee to be withheld from the Auction proceeds at the conclusion of the Auction, with the remaining proceeds to be remitted to Seller. Advertising fees are included in this Auction Fee. Assets will only be considered "sold" if such assets are removed from the sales site by successful bidders.
9. **Buyer's Premium.** In addition to the Auction Fee charged to Seller, Rasmus will be entitled to a fifteen percent (15%) Buyer's Premium on all Assets sold; such amount to be added to the sale price of each Asset purchased, charged to the BUYER of the Asset and retained by Rasmus.
10. **Sales Report and Reconciliation.** A complete report regarding the results of the Auction - to include lot numbers, descriptions, bidder numbers, and sales prices - will be presented to Seller within fifteen (15) business days after the Final Removal Date. Rasmus will make final reconciliation of Auction proceeds within fifteen (15) business days after the Final Removal Date. Seller agrees that no payment will be remitted for Assets that are not removed.
11. **Withdrawal of Assets.** No Asset will be withdrawn from the Auction without Rasmus's consent. Seller agrees that if Seller withdraws an Asset without Rasmus's consent, Seller will be liable to Rasmus for the full Auction Fee and Buyer's Premium and related transaction fees as to the removed Asset. The value used to determine the Auction Fee and Buyer's Premium due as to any withdrawn Asset will be the final bid price of an identical or substantially similar Asset sold in the Auction, or the final buyback price achieved by deeming Seller to be the highest bidder for the Asset. In the event that neither of these approaches to setting value is applicable, value will be established as orderly liquidation value.
12. **Cancellation Fee.** In the event Seller, its creditors, or any affiliated parties wish to cancel the Auction for any reason, Seller agrees to pay all of the expenses Rasmus incurred in performing pursuant to this Agreement and effecting cancellation of the Auction, plus an additional administrative cancellation fee equal to Five Thousand Dollars.
13. **Seller's Representations and Warranties.** Seller represents and warrants to Rasmus that Seller (a) holds legal title to all Assets, (b) has full power and authority to sell all Assets free and clear of any liens or encumbrances, (c) can and hereby does extend to Rasmus warranties of good title and non-infringement as to all Assets, (d) can and will convey good title to the buyers of the Assets following the Auction, free and clear of any liens or encumbrances, (e) can and does warrant that to the extent any Asset is not fully operative the Seller has identified such Assets in writing transmitted to Rasmus at or prior to the execution of this Agreement, (f) can and does warrant that neither the Assets nor does the sales site contain any hazardous materials, nor have any hazardous materials at any time in the past been used, generated, stored, transported, released, discharged or disposed of above, on beneath or in the vicinity of the sales site, and (g) will, upon Rasmus's request, furnish Rasmus with such documentation as may relate to the aforementioned representations and warranties. Seller agrees that it will hold Rasmus harmless and defend Rasmus against any and all warranty-related claims.
14. **Inside Bidding Prohibited.** Seller agrees that Seller will not bid on any Asset included in the Auction, nor will Seller direct any party to bid on any Asset for the benefit of Seller. Seller expressly agrees that any bid made in violation of this provision will constitute a breach of this Agreement, and will entitle Rasmus to recover both the Asset(s) at issue and any associated funds from Seller, which recovery will be in addition to any other remedy to which Rasmus may be entitled under the terms of this Agreement.

15. **Seller's Other Responsibilities.** Seller agrees to cooperate with Rasmus to carry out the purposes of this Agreement and will take no action that would obstruct Rasmus's performance under this Agreement. Seller will provide Rasmus with access to all sites where any Assets are located, and will provide Rasmus with any documentation relating to any Asset. Seller will provide complete and accurate information about all Assets. Seller will provide Rasmus with prompt notice regarding any action or condition of which Seller becomes aware that may inhibit Rasmus's performance under this Agreement. Seller will not make or authorize any public statement regarding the subject matter of this Agreement without Rasmus's prior written permission.

16. **Confidential Information.** In performing under this Agreement, Seller may come into contact with Confidential Information, as that term is hereafter defined. Seller will only use Confidential Information in order to facilitate its performance under this Agreement and will not disclose any Confidential Information to any third party without having first obtained express permission from Rasmus. Seller will return or destroy all materials pertaining to Rasmus's Confidential Information at Rasmus's request. If Seller learns of any unauthorized use of Confidential Information, Seller will immediately tell Rasmus and assist in containing or stopping the use. "Confidential Information" means all information or material that has or could have commercial value to Rasmus - which may include, but is not limited to, business plans and strategies; financial information; customer lists; technical information; and marketing and development plans.

17. **Limitation of Liability.** Rasmus will not be liable for any loss Seller may suffer with regard to the Assets, nor will Rasmus be charged with custody of the Assets, their management, security, or maintenance.

18. **Indemnification.** Seller agrees to indemnify and hold Rasmus harmless from and against any and all third-party claims, suits, or losses that arise out of or relate to Seller's conduct or actions in connection with this Agreement - including, but not limited to, any cancellation of the Auction. Such indemnification will include attorney fees and expenses. In no event will Rasmus be liable to Seller for any indirect, incidental, special, or consequential damages, however caused.

19. **Miscellaneous.** This Agreement does not establish a joint venture, employment, agency, partnership, or franchise relationship between the Parties, and will be binding upon the Parties' successors. If any provision or the application of this Agreement is held to be invalid, unenforceable, or void, the remainder of this Agreement will remain in full force and effect. If either Party fails to insist that the other Party perform any Agreement term, such failure will not be construed as a waiver by such Party. Seller may not assign this Agreement. This Agreement may not be changed in any way except in a writing signed by both Parties. This Agreement is the Parties' entire agreement regarding the subject matter hereof and supersedes all other agreements between the Parties with respect to its subject matter. This Agreement is governed by and construed in accordance with Virginia law, without regard to its choice of law provisions, and any action to enforce its terms must be brought in the state courts having jurisdiction in Fairfax County, Virginia, or the U.S. District Court for the Eastern District of Virginia - Alexandria Division, if federal jurisdiction exists. Neither Party will elect a trial by jury in any action associated with this Agreement. In the event of any action arising out of or relating to this Agreement or any breach thereof, if Rasmus is the substantially prevailing Party, Rasmus will be entitled to recover from Seller reasonable expenses, attorney's fees, and costs incurred therein or in the enforcement or collection of any judgment or award rendered.

ACKNOWLEDGED, AGREED, AND ACCEPTED AS OF _____

RASMUS, by its authorized agent:

SELLER, by its authorized agent:

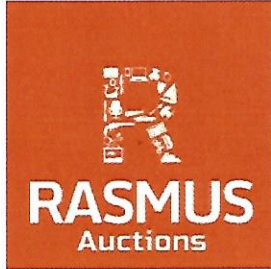
Signature: _____

Signature: Peter Martino
Peter Martino (Apr 21, 2018)

Printed Name: _____

Printed Name: _____

201 Yoakum Parkway,
Unit 54
Alexandria, VA 22310
Phone: 703.768.9000
Fax: 703.997.8957
krodimak@rasmus.com



IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MARYLAND
(Baltimore Division)

In re:	*	
CAPITAL TEAS, INC.	*	Case No: 17-19426-RAG
Debtor	*	(Chapter 11)
* * * * *		

ORDER GRANTING DEBTOR’S MOTION TO (I) SELL
SURPLUS ASSETS AND (II) EMPLOY R.L. RASMUS AUCTIONEERS, INC.

Upon consideration of the Debtor’s Motion to (I) Sell Surplus Assets and (II) Employ R.L. Rasmus Auctioneers, Inc. (the “Motion”)¹ filed by Capital Teas, Inc., the debtor and debtor in possession herein (the “Debtor”), and after consideration of any objections made thereto and after any hearing thereon, and there appearing good cause for granting the relief requested in the Motion; it is, by the United States Bankruptcy Court for the District of Maryland, ORDERED:

1. That the Motion is hereby GRANTED.
2. That the sale of the Surplus Assets at the referenced Rasmus auction is hereby authorized.
3. That such sale is authorized free and clear of all liens, claims, interests, and encumbrances, with all such liens, claims, interests, and encumbrances attaching to the net proceeds of such sale with the same validity, extent, and priority as otherwise exists.

¹ Capitalized terms not otherwise defined herein shall have the meaning ascribed to such terms in the Motion.

4. That the Debtor is authorized to deposit the proceeds from the sale of the Surplus Assets in its DIP account and to use the proceeds in accordance with an approved cash collateral budget.

5. That the retention of Rasmus is hereby approved and the Debtor is hereby authorized to pay expenses and compensation to Rasmus under section 328 of the Bankruptcy Code and as provided for in the Rasmus Agreement.

6. That the Debtor is authorized to execute and to enter into the Rasmus Agreement.

7. That a surcharge against the Surplus Assets and its proceeds as requested above is hereby authorized.

8. Notwithstanding the provisions of Bankruptcy Rules 6004(h) and 6006(d), and consistent with Bankruptcy Code § 363(m), that the Order is not stayed and that it shall be effective and enforceable immediately upon entry.

cc: Lawrence J. Yumkas, Esquire
Lisa Yonka Stevens, Esquire
Yumkas, Vidmar, Sweeney & Mulrenin, LLC
10211 Wincopin Circle, Suite 500
Columbia, Maryland 21044

Attached Service List

END OF ORDER

The following parties received a copy of the filing by first class mail:

ACE Funding Source, LLC
366 North Broadway, Suite 410
Jericho, NY 11753

Corporation Service Company, as rep.
P. O. Box 2576
Springfield, IL 62708

Crestview Financial LLC
1430 Broadway, Suite 402
New York, NY 10018-3308

Edward Don & Company
2562 Paysphere Circle
Chicago, IL 60674

Express Capital Funding
130 South Chaparral Court, Suite 245
Anaheim, CA 92808

Tax Guard, Inc.
1750 14th Street, Suite 201
Boulder, CO 80302

WebBank
215 South State Street, Suite 1000
Salt Lake City, UT 84111

Kenneth S. Leonetti, Esquire
Robert G. Sawyer, Esquire
Foley Hoag LLP
155 Seaport Boulevard
Boston, Massachusetts 02210-2600

Andrew S. Conway, Esquire
The Taubman Company
200 East Long Lake Road, Suite 300
Bloomfield Hills, Michigan 48303

Ronald M. Tucker, Esquire
Counsel for Simon Property Group, Inc.
and its related entities
225 West Washington Street
Indianapolis, Indiana 46204

The following parties received CM/ECF notice of the filing:

Laurence H. Berbert, Esquire
(lberbert@bregmanlaw.com)
Counsel for Eskridge (E&A), LLC
7315 Wisconsin Avenue, Suite 800 West
Bethesda, Maryland 20814

Geri Lyons Chase, Esquire
(gchase@glchaselaw.com)
Counsel for Amerishop Suburban, L.P.
2007 Tidewater Colony Drive, Suite 2B
Annapolis, Maryland 21401

Justin P. Fasano, Esquire
(jfasano@mhlawyers.com)
Counsel for Cristina Fernandez, Nicole Elhaj,
Christina Cytryn, and Allison Cutler
McNamee, Hosea
6411 Ivy Lane, Suite 200
Greenbelt, Maryland 20770

Jonathan L. Gold, Esquire
(jlgold@michaelbest.com)
Counsel for the Committee
Michael Best & Friedrich LLP
601 Pennsylvania Avenue, NW
Suite 700 South
Washington, D.C. 20004

Richard Edwin Lear, Esquire
(richard.lear@hklaw.com)
Counsel for Regal Dynamic Contracting
Holland and Knight LLP
800 17th Street NW, Suite 1100
Washington, D.C. 20006-6801

Katherine A. Levin, Esquire
(katherine.a.levin@usdoj.gov)
United States Department of Justice
101 West Lombard Street, Suite 2625
Baltimore, Maryland 21201

Adam M. Lynn, Esquire
(alynn@mdswlaw.com)
Counsel for ShoreGate of Margaret
Avenue, LLC
McAllister, DeTar, Showalter & Walker
100 North West Street
Easton, Maryland 21601

Tracey M. Ohm, Esquire
(tracey.ohm@stinson.com)
Counsel for Staples and Charles
Stinson Leonard Street LLP
1775 Pennsylvania Ave. NW, Suite 800
Washington, D.C. 20006

Craig Palik, Esquire
(cpalik@mhlawyers.com)
Counsel for Cristina Fernandez, Nicole Elhaj,
Christina Cytryn, and Allison Cutler
McNamee, Hosea
6411 Ivy Lane, Suite 200
Greenbelt, Maryland 20770

Andrew Blake Schulwolf, Esquire
(andrew@albertandschulwolf.com)
Counsel for NH-D Retail Investment, LLC
Albert & Schulwolf, LLC
110 North Washington Street, Suite 300
Rockville, Maryland 20850

Lisa Yonka Stevens, Esquire
(lstevens@yvslaw.com)
Counsel for Debtor
Yumkas, Vidmar, Sweeney & Mulrenin
10211 Wincopin Circle, Suite 500
Columbia, Maryland 21044

Matthew G. Summers, Esquire
(summersm@ballardspahr.com)
Counsel for GGPLP, Federal Realty Inv. Trust,
Taubman Company, Annapolis Mall Owner
Ballard Spahr LLP
300 East Lombard Street, 18th Floor
Baltimore, Maryland 21202

Mark D. Taylor, Esquire
(mtaylor@vlplawgroup.com)
Counsel for Strategic Funding Source Inc.
VLP Law Group
1629 K Street, NW, Suite 300
Washington, DC 20006

US Trustee – Baltimore
(ustpregion04.ba.ecf@usdoj.gov)
101 West Lombard Street, Suite 2625
Baltimore, Maryland 21201

James E. Van Horn, Esquire
(jvanhorn@mcguirewoods.com)
Counsel for Umphrey, USB Focus Fund XXIX,
LLC and USB Focus Fund Capital Teas 2, LLC
McGuireWoods, LLP
7 Saint Paul Street, Suite 1000
Baltimore, Maryland 21202-1671

Lawrence J. Yumkas, Esquire
(lyumkas@yvslaw.com)
Counsel for Debtor
Yumkas, Vidmar, Sweeney & Mulrenin
10211 Wincopin Circle, Suite 500
Columbia, Maryland 21044

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MARYLAND
(Baltimore Division)

In re: *
CAPITAL TEAS, INC. * Case No: 17-19426-RAG
Debtor * (Chapter 11)
* * * * *

NOTICE OF DEBTOR’S MOTION TO (I) SELL
SURPLUS ASSETS AND (II) EMPLOY R.L. RASMUS AUCTIONEERS, INC.

TO CREDITORS AND OTHER PARTIES IN INTEREST:

NOTICE IS HEREBY GIVEN that Capital Teas, Inc., the debtor and debtor in possession herein (the “Debtor”), by counsel, is seeking approval for the auction sale of the Debtor’s surplus assets pursuant to the Debtor’s Motion to (I) Sell Surplus Assets and (II) Employ R.L. Rasmus Auctioneers, Inc. (the “Motion”) filed with the Bankruptcy Court in the above-captioned proceeding. The Motion proposes to sell at public auction a portion of the Debtor’s property, consisting of fixtures and equipment used in the operations of its retail business (the “Assets”).

The Debtor believes that the proposed auction sale is in the best interest of the estate as it will generate cash proceeds to be used by the Debtor for its operations in accordance with an approved cash collateral budget.

ANY PARTY WISHING TO OPPOSE THE MOTION MUST FILE AN OBJECTION IN WRITING, SPECIFICALLY STATING THE FACTUAL AND LEGAL NATURE OF THE OBJECTION WITH THE CLERK, UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF MARYLAND, U.S. COURTHOUSE, 101 WEST LOMBARD STREET, BALTIMORE, MARYLAND 21201, AND MUST SERVE COPIES OF THE OBJECTION ON THE U.S. TRUSTEE, 101 WEST LOMBARD STREET, SUITE 2625, BALTIMORE, MARYLAND 21201, AND SIMULTANEOUSLY UPON THE UNDERSIGNED, WITHIN TWENTY-ONE (21) DAYS OF THE DATE OF THIS NOTICE. PARTIES IN INTEREST WITH QUESTIONS REGARDING THE MOTION MAY CONTACT THE UNDERSIGNED COUNSEL FOR THE TRUSTEE.

If no objections are timely filed, the Court may consider the Motion without a hearing. A hearing on objections, if any, to the Motion has been scheduled for Friday, June 8, 2018 at 11:30 a.m., in Courtroom 1-B, U.S. Courthouse, 101 West Lombard Street, Baltimore, Maryland 21201.

Dated: May 8, 2018

/s/ Lawrence J. Yumkas
Lawrence J. Yumkas, 06357
Lisa Yonka Stevens, 27728
Yumkas, Vidmar, Sweeney & Mulrenin, LLC
10211 Wincopin Circle, Suite 500
Columbia, Maryland 21044
(443) 569-0758
lyumkas@yvslaw.com

Counsel for Debtor

CERTIFICATE OF SERVICE

I hereby certify that on the 8th day of May 2018, notice of filing the Notice of Motion to (I) Sell Surplus Assets and (II) Employ R.L. Rasmus Auctioneers, Inc. (the “Notice”) was served by CM/ECF to those parties listed on the docket as being entitled to such electronic notices (see attached), and a copy of the Notice was mailed first class, postage prepaid to the parties on the attached service list.

/s/ Lawrence J. Yumkas
Lawrence J. Yumkas

The following parties received a copy of the filing by first class mail:

The Mall in Columbia Business Trust
c/o The Mall in Columbia
Attention: Law/Lease Administration
110 North Wacker Drive
Chicago, Illinois 60606-1511

The Mall in Columbia Business Trust
Attention: General Manager
10300 Little Patuxent Parkway
Columbia, Maryland 21044

The Mall in Columbia Business Trust
SDS-12-2738
P. O. Box 86
Minneapolis, Minnesota 55486-2738

The Mall in Columbia Business Trust
c/o CSC-Lawyers Incorporating Service
Company, Resident Agent
7 Saint Paul Street, Suite 820
Baltimore, Maryland 21202

Michael P. Hubbarth, Esquire
Associate General Counsel
General Growth Properties
110 North Wacker Drive
Chicago, Illinois 60606

ACE Funding Source, LLC
366 North Broadway, Suite 410
Jericho, NY 11753

Corporation Service Company, as rep.
P. O. Box 2576
Springfield, IL 62708

Crestview Financial LLC
1430 Broadway, Suite 402
New York, NY 10018-3308

Edward Don & Company
2562 Paysphere Circle
Chicago, IL 60674

Express Capital Funding
130 South Chaparral Court, Suite 245
Anaheim, CA 92808

Tax Guard, Inc.
1750 14th Street, Suite 201
Boulder, CO 80302

WebBank
215 South State Street, Suite 1000
Salt Lake City, UT 84111

Kenneth S. Leonetti, Esquire
Robert G. Sawyer, Esquire
Foley Hoag LLP
155 Seaport Boulevard
Boston, Massachusetts 02210-2600

Andrew S. Conway, Esquire
The Taubman Company
200 East Long Lake Road, Suite 300
Bloomfield Hills, Michigan 48303

Ronald M. Tucker, Esquire
Counsel for Simon Property Group, Inc.
and its related entities
225 West Washington Street
Indianapolis, Indiana 46204

The following parties received CM/ECF notice of the filing:

Laurence H. Berbert, Esquire
(lberbert@bregmanlaw.com)
Counsel for Eskridge (E&A), LLC
601 Pennsylvania Avenue, Suite 800 West
Bethesda, Maryland 20814

Geri Lyons Chase, Esquire
(gchase@glchaselaw.com)
Counsel for Amerishop Suburban, L.P.
2007 Tidewater Colony Drive, Suite 2B
Annapolis, Maryland 21401

Justin P. Fasano, Esquire
(jfasano@mhlawyers.com)
Counsel for Cristina Fernandez, Nicole Elhaj,
Christina Cytryn, and Allison Cutler
McNamee, Hosea
6411 Ivy Lane, Suite 200
Greenbelt, Maryland 20770

Jonathan L. Gold, Esquire
(jlgold@michaelbest.com)
Counsel for the Committee
Michael Best & Friedrich LLP
601 Pennsylvania Avenue, NW
Suite 700 South
Washington, D.C. 20004

Richard Edwin Lear, Esquire
(richard.lear@hklaw.com)
Counsel for Regal Dynamic Contracting
Holland and Knight LLP
800 17th Street NW, Suite 1100
Washington, D.C. 20006-6801

Katherine A. Levin, Esquire
(katherine.a.levin@usdoj.gov)
United States Department of Justice
101 West Lombard Street, Suite 2625
Baltimore, Maryland 21201

Adam M. Lynn, Esquire
(alynn@mdswlaw.com)
Counsel for ShoreGate of Margaret
Avenue, LLC
McAllister, DeTar, Showalter & Walker
100 North West Street
Easton, Maryland 21601

Andrew Blake Schulwolf, Esquire
(andrew@albertandschulwolf.com)
Counsel for NH-D Retail Investment, LLC
Albert & Schulwolf, LLC
110 North Washington Street, Suite 300
Rockville, Maryland 20850

Mark D. Taylor, Esquire
(mtaylor@vlpawgroup.com)
Counsel for Strategic Funding Source Inc.
VLP Law Group
1629 K Street, NW, Suite 300
Washington, DC 20006

Lawrence J. Yumkas, Esquire
(lyumkas@yvslaw.com)
Counsel for Debtor
Yumkas, Vidmar, Sweeney & Mulrenin
10211 Wincopin Circle, Suite 500
Columbia, Maryland 21044

Tracey M. Ohm, Esquire
(tracey.ohm@stinson.com)
Counsel for Staples and Charles
Stinson Leonard Street LLP
1775 Pennsylvania Ave. NW, Suite 800
Washington, D.C. 20006

Lisa Yonka Stevens, Esquire
(lstevens@yvslaw.com)
Counsel for Debtor
Yumkas, Vidmar, Sweeney & Mulrenin
10211 Wincopin Circle, Suite 500
Columbia, Maryland 21044

US Trustee – Baltimore
(ustpregion04.ba.ecf@usdoj.gov)
101 West Lombard Street, Suite 2625
Baltimore, Maryland 21201

Craig Palik, Esquire
(cpalik@mhlawyers.com)
Counsel for Cristina Fernandez, Nicole Elhaj,
Christina Cytryn, and Allison Cutler
McNamee, Hosea
6411 Ivy Lane, Suite 200
Greenbelt, Maryland 20770

Matthew G. Summers, Esquire
(summersm@ballardspahr.com)
Counsel for GGPLP, Federal Realty Inv. Trust,
Taubman Company, Annapolis Mall Owner
Ballard Spahr LLP
300 East Lombard Street, 18th Floor
Baltimore, Maryland 21202

James E. Van Horn, Esquire
(jvanhorn@mcguirewoods.com)
Counsel for Umphrey, USB Focus Fund XXIX,
LLC and USB Focus Fund Capital Teas 2, LLC
McGuireWoods, LLP
7 Saint Paul Street, Suite 1000
Baltimore, Maryland 21202-1671