

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF COLUMBIA

In re:	)	
	)	
MAYFAIR-HAWAII, LLC,	)	Case No. 17-00514-SMT
	)	
Debtor in possession.	)	(Chapter 11)
	)	

**MOTION OF DEBTOR FOR ORDER PURSUANT TO SECTIONS 105, 363, AND 365 OF THE BANKRUPTCY CODE AUTHORIZING (I) SALE OF DEBTOR’S REAL PROPERTY FREE AND CLEAR OF LIENS AND INTERESTS, (II) ASSUMPTION AND ASSIGNMENT OF UNEXPIRED LEASES IN CONNECTION WITH SALE AND FIXING CURE AMOUNTS WITH RESPECT TO ASSUMED LEASES, (III) REJECTION OF UNEXPIRED LEASES THAT DEBTOR CANNOT ASSUME AND SALE OF REAL PROPERTY SUBJECT TO SUCH LEASES, AND (IV) CONSUMMATION OF ALL TRANSACTIONS RELATED TO THE ABOVE**

**PARTIES TO UNEXPIRED LEASES OF RESIDENTIAL REAL PROPERTY RECEIVING THIS MOTION SHOULD LOCATE THEIR RESPECTIVE NAMES, LEASES, AND PROPOSED CURE AMOUNTS ON EXHIBIT D ATTACHED TO THIS MOTION**

MAYFAIR-HAWAII, LLC, debtor-in-possession (the “Debtor”), by counsel, respectfully requests that the Court enter an order (the “Sale Order”), substantially in the form attached hereto as **Exhibit A**, pursuant to sections 105(a), 363(b), (f), and (m), and 365(a), (b), (f), and (h) of the United States Bankruptcy Code<sup>1</sup>, and Federal Rules of Bankruptcy Procedure 2002, 6004, 6006, and 9014, authorizing (i) Debtor’s sale to Wesley Housing Development Corporation of Northern Virginia (“Wesley”) of Debtor’s real property located at 1 Hawaii Avenue N.E., Washington, D.C. 20011 , as

<sup>1</sup> Unless otherwise indicated, all subsequent statutory references in this Motion are to the United States Bankruptcy Code, 11 U.S.C. §§ 101 *et seq.* and all subsequent references to rules are to the Federal Rules of Bankruptcy Procedure.

improved by a 34-unit, multi-family, residential apartment project (the “**Property**”), free and clear of liens and interests (the “**Sale**”); (ii) Debtor’s assumption and assignment to Wesley of all unexpired apartment leases (the “**Leases**”) relating to the Property in connection with the Sale, and the fixing of any amounts required to be paid to satisfy any monetary defaults existing under the Leases (each, a “**Cure Amount**” and collectively, the “**Cure Amounts**”) or otherwise delineating the process for determining and paying such Cure Amounts; or (iii) in the alternative, Debtor’s rejection of the Leases pursuant to sections 365(a) and (h) and conveyance of the Property to Wesley subject to the rights of the tenants under the Leases; and (iv) Debtor’s consummation of all transactions relating to the foregoing.

The Sale will enable the Debtor to pay all secured creditors, administrative expenses, and non-insider unsecured creditors in full. The Sale will also, as a practical consequence, transfer from the Debtor to Wesley all risk of loss as to the Property, the burdens of administering the Property, and, because the Property is to be sold “as is,” any remediation costs as to housing code infractions that might exist at the Property, thus paving the way to a successful chapter 11 case.

### **I. JURISDICTION**

1. The Court has subject matter jurisdiction over this Motion pursuant to 28 U.S.C. § 1334. The Motion is a core proceeding under 28 U.S.C. § 157(b). Venue is proper in this Court under 28 U.S.C. §§ 1408 and 1409.

2. The statutory and other predicates for the relief sought by this Motion are sections 105(a), 363(b), (f), and (m), 365(a), (b), (f), and (h), and Bankruptcy Rules 2002, 6004, 6006, and 9014.

## BACKGROUND

### **A. Case Status and the Property to be Sold**

3. On September 13, 2017 (the “**Petition Date**”), the Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code, initiating this chapter 11 case (the “**Chapter 11 Case**”). The Debtor commenced the Chapter 11 Case the day before the Property was to be sold at a foreclosure sale initiated by the Federal National Mortgage Association (“**Fannie Mae**”).

4. The Debtor continues to operate its business as a debtor in possession under sections 1107(a) and 1108 of the Bankruptcy Code. No official committee of creditors has been appointed. On December 15, 2017, Fannie Mae filed a motion (the “**Lift-Stay Motion**”) for relief from the automatic stay of section 362(a) and for appointment of a chapter 11 trustee [Dkt. No. 65]. Should the Court grant the Lift-Stay Motion, Fannie Mae will be free to reschedule a foreclosure sale of the Property.

5. The Property<sup>2</sup> is improved by a 34-unit residential apartment project known as 1 Hawaii Avenue N.E. Apartments (the “**Apartments**”).

6. The Apartments are currently managed by Paula Forshee (the “**Receiver**”), a receiver appointed prior to the Petition Date at Fannie Mae’s request by the Superior Court of the District of Columbia in Case No. 2017 C.A. 3403. Pursuant to an agreed order, entered September 26, 2017 [Docket No. 22], the Receiver is continuing to control and manage the Apartments notwithstanding the turnover provisions of sections 543(a) and (b) of the Bankruptcy Code.

---

<sup>2</sup> The legal description of the Property is attached hereto as **Exhibit B**.

**B. The Claims Against the Debtor**

7. Fannie Mae holds two promissory notes (the “**Notes**”) from the Debtor which are secured by first and second priority deeds of trust encumbering the Property. Fannie Mae has filed a proof of claim in this case [Claim No. 3] asserting that as of the Petition Date the Debtor owed Fannie Mae \$3,824,039.55 under the Notes.

8. Prior to the Petition Date, Fannie Mae (a) declared the Notes in default, (b) accelerated all amounts due thereunder, (c) filed suit against the Debtor under the Notes, (d) scheduled a foreclosure sale of the Property, and (e) obtained appointment of the Receiver to take control of the Apartments.

9. The District of Columbia Department of Consumer and Regulatory Affairs (“DCRA”) recorded a lien in the amount of \$12,900 against the Property on December 2, 2016 for alleged housing code infractions.

10. The Debtor’s amended schedules of assets and liabilities [Dkt. No. 53] reflect that as of the Petition Date, there were unsecured priority claims against the Debtor’s estate of approximately \$12,919, and unsecured non-priority claims, held by non-insiders, against the Debtor’s estate of approximately \$16,140, for aggregate non-insider, unsecured claims of approximately \$19,059 (the “**Non-Insider Claims**”).<sup>3</sup>

11. Since acquiring the Property, the Debtor has used its revenues to pay for services to its residents and to maintain and improve the Property’s physical condition and systems. Nonetheless, the Property has not generated sufficient cash flow to permit

---

<sup>3</sup> The Debtor views Oakmont Management Company as a statutory insider as to the Debtor under section 101(31). Because the Receiver may have paid certain unsecured prepetition claims, the Debtor is uncertain of the current amount of Non-Insider Claims.

the Debtor to satisfy all of its loan and operating expenses and other obligations as they have come due.

12. Given the Debtor's limited prepetition financial success and Fannie Mae's efforts to control and force a foreclosure sale of the Property, prior to the Petition Date the Debtor determined that it was in its best interest, and that of its creditors and the tenants of the Apartments, to sell the Property to an independent third party at a price that would allow the Debtor to satisfy the Notes and the Debtor's other financial obligations.

**C. Purchase Agreement with Wesley**

13. As a result of the Debtor's prepetition marketing efforts the Debtor and Wesley entered into a **Purchase Agreement**, dated as of September 8, 2017, for the sale of the Property to Wesley. A copy of the Purchase Agreement is attached hereto as **Exhibit "C"**.

14. Wesley was founded in 1974, and is an Internal Revenue Code section 501(c)(3) nonprofit charitable organization headquartered in Alexandria, Virginia. Wesley currently manages a portfolio of over 2,100 housing units and has sponsored 28 residential communities in Northern Virginia and Washington, DC. *See* [www.wesleyhousing.org](http://www.wesleyhousing.org).

15. Neither the Debtor nor any of its members has any prior relationship with Wesley, and there is no agreement or understanding between the Debtor and Wesley other than as set forth in the Purchase Agreement and this Motion. Accordingly, the Debtor submits that Wesley is a disinterested third party with respect to its proposed purchase of the Property.

16. The Purchase Agreement specifies that the purchase price for the Property will be \$75,000 plus the amount that Wesley and Fannie Mae agree upon for Wesley's assumption or satisfaction of the amount due Fannie Mae under the Notes.

17. Notwithstanding the written terms of the Purchase Agreement, (a) the Debtor and Wesley have agreed that, should Wesley be unable to reach agreement with Fannie Mae on assumption or satisfaction of the Notes, then Wesley and the Debtor will agree on the amount Wesley will pay toward satisfaction of the Notes (the "**Wesley Contribution**"); (b) Sanford Capital, LLC ("**Sanford**") (a holder of a membership interest in the Debtor) will remit to the Debtor at closing on the Sale, in partial satisfaction of the Debtor's claim against Sanford, an amount sufficient to satisfy (i) the deficiency between the amount due under the Notes and the Wesley Contribution, (ii) the amount of all other claims secured by liens against the Property (together with Fannie Mae's claim under the Notes, the "**Secured Claims**"), (iii) the Debtor's share of closing and conveyance costs on the Sale, (iv) all administrative expenses of the estate; and (v) all Non-Insider Claims (collectively, the "**Sanford Contribution**"); and (c) the parties intend to close on the sale within 30 days of entry of the Court's order approving the Sale.

**D. Consequences of the Sale**

18. The Sale will permit the Debtor to pay all Secured Claims, administrative expenses, and Non-Insider Claims. The Sale will also transfer the risk of loss as to the Property to Wesley and will relieve the Debtor of future management responsibilities, so that the Debtor's sole, post-Sale focus will be the determination and payment of administrative expenses and unsecured creditor claims.

19. Fannie Mae asserts in its Lift-Stay Motion that the appraised value of the Property is approximately \$3,400,000 (Lift-Stay Motion ¶¶ 10, 33). If the Fannie Mae appraisal is correct<sup>4</sup> then a Fannie Mae foreclosure sale will leave Fannie Mae with a large deficiency claim and will leave the Debtor at risk of being unable to pay administrative expenses or make any distribution to unsecured creditors.

**III. THE SALE SATISFIES THE SOUND BUSINESS PURPOSE TEST AND SHOULD BE AUTHORIZED PURSUANT TO SECTION 363(b) OF THE BANKRUPTCY CODE**

20. Pursuant to section 363(b), the Debtor may, after notice and hearing, sell property of the estate other than in the ordinary course of business. Courts generally authorize pre-confirmation sales of assets outside the ordinary course of business upon the articulation of a valid business justification. See, e.g., In re MCSGlobal Incorporated, 562 B.R. 648, 654 (Bankr. E.D. Va. 2017) (requiring a “sound business purpose”); In re Flour City Bagels, LLC, 557 B.R. 53, 77 (Bankr. W.D.N.Y. 2016) (“good business reason”); Fulton State Bank v. Schipper (In re Schipper), 933 F.2d 513, 515 (7th Cir. 1991) (“articulated business justification”); Committee of Equity Sec. Holders v. Lionel Corp. (In re Lionel Corp.), 722 F.2d 1063, 1071 (2d Cir. 1983) (“good business reason”);

---

<sup>4</sup> The Debtor does not concede the accuracy or admissibility of the Fannie Mae appraisal as evidence.

In re Lady H Coal Co., Inc., 193 B.R. 233, 243 (Bankr. S.D. W. Va. 1996) (“sound business purpose”); WBQ P’ship v. Commonwealth of Va. Dep’t of Med. Assistance Serv. (In re WBQ P’ship), 189 B.R. 97, 102 (Bankr. E.D. Va. 1995) (adopting “sound business purpose” test).

21. A debtor has the burden of demonstrating by a preponderance of the evidence that a sale outside the ordinary course of business is justified, but an objecting party also must produce evidence with respect to its objections. See In re Flour City Bagels, 557 B.R. 77 (citing Lionel, 722 F.2d at 1071).

22. In applying the sound business purpose test, courts have considered various factors including (a) a sound business reason or emergency justifying a pre-confirmation sale; (b) that the sale has been proposed in good faith; (c) adequate and reasonable notice to interested parties; and (d) a fair and reasonable purchase price. In re MCSGlobal Incorporated, 562 B.R. at 654; see also In re Alpha Nat. Res. Inc., 546 B.R. 348, 356 (Bankr. E.D. Va. 2016); In re William Maxwell Gregg, II, 2014 WL 793126 at \*3 (Bankr. D.S.C. Feb. 26, 2014); In re Lady H Coal Co., 193 B.R. at 243. Each of these factors is satisfied in this Chapter 11 Case.

**A. Sound Business Reasons Exist for the Sale**

23. Urgent and sound business reasons exist for the proposed sale: the Sale will maximize the value of the Property, thereby allowing the Debtor to pay all Secured Claims, administrative expenses, and Non-Insider Claims. Further, the timing of the Sale is critical. If the Debtor is unable to sell the Property to Wesley (or to a bidder making a higher and better offer), Fannie Mae may be granted relief from the automatic stay to conduct a foreclosure sale. That will allow Fannie Mae to absorb all of the Property’s

value (while still retaining a deficiency claim) and leave the Debtor unable to pay administrative expenses or make any distribution to unsecured creditors. As Fannie Mae notes in its Lift-Stay Motion, the Debtor is operating under limited funding and has insufficient cash flow to sustain operations without third-party support. Thus, if the bankruptcy process is primarily about satisfying creditor claims, then the Debtor's agreement to sell the Property to Wesley (or pursuant to a higher and better offer should one materialize) is a clear exercise of sound business judgment.

24. The public interest may also be taken into account in considering whether a sound business reason exists for a sale. See In re Lady H Coal Co., 193 B.R. at 243, 245 (court approved sale of coal mine over piecemeal liquidation in part because purchaser expected to operate the mine, employ people in the community, retain some unionized workers, and make substantial capital expenditures to improve productivity). Fannie Mae has expressed great concern to the Court about the Debtor's management and ability to maintain the Property and protect the interests of its residents.<sup>5</sup> Here, the sale will transfer the Property to Wesley, a non-profit community housing enterprise with many years of local real estate management and development experience, that can reasonably be expected to manage the Property in a highly professional way. Accordingly, the proposed sale satisfies any reasonable public interest requirement.

---

<sup>5</sup> The Debtor does not accept Fannie Mae's concerns and criticism as justified, and contends to the contrary that it has managed the Property properly during the course of its ownership.

**B. The Sale Has Been Proposed In Good Faith**

25. In connection with a proposed sale, “[g]ood faith encompasses fair value, and further speaks to the integrity of the transaction. Typical bad faith or misconduct, would include collusion between the seller and buyer, or any attempt to take unfair advantage of other potential purchasers.” 240 North Brand Partners, Ltd., 200 B.R. 653, 659 (9th Cir. B.A.P. 1996) (quoting In re Wilde Horses, Inc., 136 B.R. 830, 842 (Bankr. C.D. Cal. 1991)). “Although ‘good faith’ is not defined in the Bankruptcy Code, courts generally look to the purchaser’s conduct during the course of the sale proceedings.” In re Flour City Bagels, 557 B.R. at 80-81.

26. The Purchase Agreement is the product of arm’s length negotiations between two unrelated parties, which will allow the Debtor to satisfy all Secured Claims, administrative expenses, and Non-Insider Claims. Further, Wesley has a long history of managing and investing in real properties, and is not an insider as to the Debtor or any of its members. See Id. at 78 (“The consideration of the good faith of the buyer is particularly relevant in a sale to an insider.”). Accordingly, the Debtor submits that the Sale has been proposed in good faith.

**C. The Protections of Section 363(m) Should Apply to the Sale**

27. Debtor seeks the protections afforded under section 363(m) , which provides in pertinent part:

(m) The reversal or modification on appeal of an authorization under section (b) or (c) of this section of a sale or lease of property does not affect the validity of a sale or lease under such authorization to an entity that purchased or leased such property in good faith, whether or not such entity knew of the pendency of the appeal, unless such authorization and such sale or lease were stayed pending appeal.

Because the Sale has been negotiated in good faith, at arms-length, at a price above alleged appraised value, the Debtor submits that the Sale to Wesley warrants a finding that Wesley is acquiring the Property in good faith and that the Sale is entitled the protections of section 363(m).

**D. Creditors and Parties in Interest Have Received Adequate and Reasonable Notice**

28. In the context of a section 363(b) sale, “notice is sufficient if it includes the terms and conditions of the sale, if it states the time for filing objections, and if the estate is selling real estate, it generally describes the property.” In re WBQ P’ship, 189 B.R. at 103 (quoting In re Karpe, 84 B.R. 926, 930 (Bankr. M.D. Pa. 1988)).

29. The Debtor is serving this Motion (to which the Purchase Agreement is attached as an exhibit) and the accompanying Notice of Opportunity to Object on the entire service list for this Chapter 11 Case, including all known creditors, contract counterparties, all tenants of Apartments under the Leases, owners, and parties that have filed requests for notices under Rule 2002. This notice satisfies the reasonable and adequate notice requirement, because the documents being served describe the Property, include the terms and conditions of the Sale, and state the time for filing any objections or opposition thereto.

**E. The Purchase Price Is Fair and Reasonable**

30. Because the Sale will generate proceeds well in excess of the alleged appraisal value of the Property and will allow the Debtor to pay all Secured Claims, administrative expenses, and Non-Insider Claims, the Debtor submits that the purchase price is fair and reasonable.

**IV. THE COURT SHOULD AUTHORIZE THE SALE OF THE PROPERTY FREE AND CLEAR OF ALL LIENS AND INTERESTS**

31. Section 363(f) allows for sales of property of the estate under section 363(b) “free and clear of any interest” if any one of the following five conditions is met:

- (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.

32. Section 363(f)(3) is satisfied as to Fannie Mae’s liens (and any statutory liens) against the Property because all Secured Claims against the Property will be paid in full at closing on the Sale.

33. The Debtor is unaware of any other voluntary liens against the Property or any interests relating to the Property which are not subject to one or more provisions of section 363(f). The Debtor intends to pay any and all unpaid real estate taxes and charges for utilities relating to the Property from the proceeds of sale at closing.

34. For each of the foregoing reasons, the Debtor, in its business judgment, believes that a prompt sale of the Property, pursuant to section 363(b), (f), and (m), is in the best interest of the Debtor, its estate, creditors, tenants, and other parties in interest.

**V. THE COURT SHOULD AUTHORIZE THE ASSUMPTION AND ASSIGNMENT OF LEASES, FIX CURE AMOUNTS, AND DETERMINE ADEQUATE ASSURANCE OF FUTURE PERFORMANCE**

35. The Debtor requests that the Court, pursuant to section 365 and Rules 6006 and 9014, authorize the Debtor to assume and assign the Leases to Wesley as part of the Sale. The Debtor further requests that the Court fix the Cure Amount as to each of the Leases as \$0.00. In the alternative, if the Court determines that it is impractical to rule on any claims relating to the Leases without unreasonably delaying the Sale, then the Debtor requests authority to consummate the Sale but with any claims based upon a Lease attaching to the net sale proceeds. In the further alternative, if the Court determines that the Debtor cannot assume and assign the Leases without making immediate Cure Payments to tenants under the Leases, then the Debtor requests authority to (i) reject the Leases under sections 365(a) and (h), and (ii) sell the Property subject to the tenants' possessory and other rights under the Leases.

**A. Assumption and Assignment of the Leases is a Sound Exercise of the Debtor's Business Judgment**

36. The Leases are unexpired leases of residential real property. Section 365(a) authorizes a debtor in possession to assume or reject, "subject to the court's approval . . . any executory contract or unexpired lease of the debtor." 11 U.S.C. § 365(a). See also NLRB v. Bildisco & Bildisco, 465 U.S. 513, 521 (1984); In re

Lavigne, 114 F.3d 379, 386 (2d Cir. 1997). “[T]he purpose behind allowing the assumption or rejection of executory contracts is to permit the trustee or debtor-in-possession to use valuable property of the estate and to ‘renounce title to and abandon burdensome property.’” Orion Pictures Corp. v. Showtime Networks, Inc. (In re Orion Pictures Corp.), 4 F.3d 1095, 1098 (2d Cir. 1993), cert. dismissed, 511 U.S. 1026 (1994). With respect to assumption and assignment of an expired lease, section 365 provides, in pertinent part, as follows:

(a) Except as provided in . . . subsections (b), (c), and (d) of this section, the trustee, subject to the court’s approval, may assume or reject any executory contract or unexpired lease of the debtor.

(b)(1) If there has been a default in an executory contract or unexpired lease of the debtor, the trustee may not assume such contract or lease unless, at the time of assumption of such contract or lease, the trustee –

(A) cures, or provides adequate assurance that the trustee will promptly cure, such default . . .

(B) compensates, or provides adequate assurance that the trustee will promptly compensate, a party other than the debtor to such contract or lease, for any actual pecuniary loss to such party resulting from such default; and

(C) provides adequate assurance of future performance under such contract or lease . . . .

\* \* \* \* \*

(f)(2) The trustee may assign an executory contract or unexpired lease of the debtor only if –

(A) the trustee assumes such contract or lease in accordance with the provisions of this section; and

(B) adequate assurance of future performance by the assignee of such contract or lease is provided, whether or not there has been a default in such contract or lease.

11 U.S.C. §§ 365(a), (b)(1), (f)(2).

37. Courts defer to a debtor's business judgment in assuming and assigning an executory contract or unexpired lease, and upon finding that a debtor has exercised its sound business judgment, approve the assumption and assignment under section 365(a). See Nostas Assocs. v. Costich (In re Klein Sleep Prods., Inc.), 78 F.3d 18, 25 (2d Cir. 1996); Orion Pictures Corp. v. Showtime Networks, Inc. (In re Orion Pictures Corp.), 4 F.3d 1095, 1099 (2d Cir. 1993); In re Child World, Inc., 142 B.R. 87, 89 (Bankr. S.D.N.Y. 1992) (stating that a debtor may assume or reject an unexpired lease under section 365(a) in the exercise of its "business judgment").

38. The "business judgment" standard is not a strict standard; it requires only a showing that either assumption or rejection of the executory contract or unexpired lease will benefit the debtor's estate. See Official Comm. of Subordinated Bondholders v. Integrated Res., Inc. (In re Integrated Res., Inc.), 147 B.R. 650, 656 (S.D.N.Y. 1992) (quoting Smith v. Van Gorkum, 488 A.2d 858, 872 (Del. 1985)), appeal dismissed, 3 F.3d 49 (2d Cir. 1993); Committee of Asbestos-Related Litigants v. Johns-Manville Corp. (In re Johns-Manville Corp.), 60 B.R. 612 (Bankr. S.D.N.Y. 1986) (where the debtor articulates a reasonable basis for its business decisions, courts will generally not entertain objections to the debtor's conduct).

39. In this case, assumption and assignment of the Leases to Wesley is in the best interest of the Debtor's estate and a reasonable exercise of Debtor's business

judgment. The Debtor is endeavoring to sell the Property, as encumbered by the Leases, to Wesley, and thus has no continuing interest in the Leases, which will become Wesley's obligation as the owner of the Property.

40. Assumption and assignment of the Leases to Wesley will benefit the Debtor's estate by enabling the Debtor to sell the Property, thereby generating sale proceeds sufficient to allow the Debtor to satisfy the Secured Claims, administrative expenses, and the Non-Insider Claims. There is no other scenario under which the Debtor will be able to realize value from the Leases. To the contrary, if the Debtor is not authorized to assume and assign the Leases, they will constitute a material burden upon the estate, forcing the Debtor to reject the Leases and convey the Property to Wesley subject to the possessory and other appurtenant rights of the tenants under section 365(h). See Dishi & Sons v. Bay Condos LLC, 510 B.R. 696, 708 (S.D.N.Y. 2014) ("Whether there is a rejection triggering § 365(h) or not, the lessee may retain its appurtenant rights under the lease, which must be respected in any subsequent action by the trustee, including a free and clear sale."); Pinnacle Restaurant at Big Sky LLC v. CH SP Acquisitions, LLC (In re Matter of Spanish Peaks Holdings II, LLC), 872 F.3d 892, 899 fn. 6 (9<sup>th</sup> Cir. 2017) ("It is, of course, possible for a trustee to formally reject a lease and then propose to sell the property subject to the (rejected) lease." (citing Dishi, 510 B.R. at 704)).

41. In light of the foregoing, Debtor respectfully requests that the Court approve Debtor's assumption of the Leases under section 365(a) in the manner requested herein as a sound exercise of the Debtor's business judgment.

**B. The Proposed Cure Amounts, or a Court Prescribed Claims Reconciliation Process, Coupled with Wesley's Commitment to Honor the Leases and Operate the Property in Accordance with Local Law, Satisfy the Requirements of § 365(b)(1)(A)-(C)**

42. Pursuant to sections 365(b)(1)(A) and (B), if there has been a default in an unexpired lease, a debtor may not assume such lease unless, at the time of assumption, the debtor (a) cures or provides adequate assurance that it will promptly cure the default and (b) compensates or provides adequate assurance of prompt future compensation for actual pecuniary losses resulting from such default. See L.R.S.C. Co. v. Rickel Home Ctrs., Inc. (In re Rickel Home Ctrs., Inc.), 209 F.3d 291, 298 (3d Cir. 2000).

43. Debtor submits that there are no defaults owed to the tenants under the Leases that need to be cured or compensated in accordance with sections 365(b)(1)(A) and (B). Accordingly, **Exhibit D** to this Motion lists the Cure Amount the Debtor proposes to pay each tenant identified on Exhibit D at \$0.00. Nonetheless, in the event defaults under the Leases are alleged (which the Debtor will challenge and defend), the Court can prescribe a prompt claims' reconciliation process for determining the validity of tenant claims, with any claims ultimately allowed attaching to the net proceeds of sale of the Property. Such a process will satisfy the cure and compensation requirements of section 365(b).

44. In addition to the requirements under section 365(b)(1)(A) and (B), if there has been a default in a lease, the debtor must, at the time of assumption, provide adequate assurance of future performance under such lease. 11 U.S.C. § 365(b)(1)(C). *In re Rickel Home Ctrs., Inc.*, 209 F.3d at 298. As previously stated, the Debtor denies

that there are any defaults owed by the Debtor to tenants and, therefore, the Debtor does not believe that section 365(b)(1)(C) is applicable to its assumption of the Leases. Nonetheless, to the extent necessary, the Debtor respectfully submits that (a) the financial health of Wesley, (b) Wesley's substantial experience managing and owning multifamily residential projects in the District of Columbia and elsewhere, and (c) Wesley's assurances that it intends to maintain and operate the Property in accordance with all applicable District of Columbia laws and regulations, constitute adequate assurance of future performance of the lessor's obligations under the Leases.

**C. Wesley is Able to Provide Adequate Assurance of Its Future Performance Under the Leases**

45. Pursuant to section 365(f)(2), a debtor may assign an unexpired lease only if the assignee provides adequate assurance of its future performance under the lease. 11 U.S.C. § 365(f)(2)(B). The words "adequate assurance of future performance" must be given a "practical, pragmatic construction" in light of the proposed assumptions. In re Fleming Cos., 499 F.3d 300, 307 (3d Cir. 2007) (quoting Cinicola v. Scharffenberger, 248 F.3d 110, 120 fn. 10 (3d Cir. 2001)). Among other things, adequate assurance may be given by demonstrating the assignee's financial health and experience in managing the type of enterprise or property being assigned. See In re Bygraph, Inc., 56 B.R. 596, 605-06 (Bankr. S.D.N.Y. 1986) (adequate assurance of future performance is present when prospective lease assignee has financial resources and has expressed a willingness to devote sufficient funding to business in order to give it a strong likelihood of succeeding).

46. As noted above, the Debtor submits that Wesley's financial health, its

experience as an owner and manager of multifamily residential projects in the District of Columbia and elsewhere, and its assurances that it intends to maintain the Property in accordance with District of Columbia law together represent adequate assurance of its future performance as assignee of the Leases.

**D. The Debtor Should be Authorized to Reject the Leases and Convey the Property to Wesley Subject to the Tenants' Rights Under the Leases If It is Not Authorized to Assume and Assign the Leases**

47. Pursuant to section 365(h)<sup>6</sup> if a debtor rejects an unexpired lease of real property under which the debtor is the lessor, and if rejection would allow the lessee to treat the lease as terminated, then the lessee may treat the lease as terminated by the rejection, or, in the alternative may retain its right of possession and other rights appurtenant to the real property for the balance of the term of the lease, including any renewals or extension rights, and may offset against the rent the value of any damage

---

<sup>6</sup> Section 365(h)(1)(A) and (B) provide in pertinent part:

(A) If the trustee rejects an unexpired lease of real property under which the debtor is the lessor and—

(i) if the rejection by the trustee amounts to such a breach as would entitle the lessee to treat such lease as terminated by virtue of its terms, applicable nonbankruptcy law, or any agreement made by the lessee, then the lessee under such lease may treat such lease as terminated by the rejection; or

(ii) if the term of such lease has commenced, the lessee may retain its rights under such lease (including rights such as those relating to the amount and timing of payment of rent and other amounts payable by the lessee and any right of use, possession, quiet enjoyment, subletting, assignment, or hypothecation) that are in or appurtenant to the real property for the balance of the term of such lease and for any renewal or extension of such rights to the extent that such rights are enforceable under applicable nonbankruptcy law.

(B) If the lessee retains its rights under subparagraph (A)(ii), the lessee may offset against the rent reserved under such lease for the balance of the term after the date of the rejection of such lease and for the term of any renewal or extension of such lease, the value of any damage caused by the nonperformance after the date of such rejection, of any obligation of the debtor under such lease, but the lessee shall not have any other right against the estate or the debtor on account of any damage occurring after such date caused by such nonperformance.

caused by the lessor's nonperformance after the date of rejection. See 11 U.S.C. § 365(h)(1)(A) and (B).

48. The Debtor's path to a successful chapter 11 case is through a sale of the Property, which will generate sufficient funds to pay the Secured Claims, administrative expenses, and Non-Insider Claims. Thus, if the Debtor is not authorized to assume and assign the Leases to Wesley without undue delay, then the Leases will represent property that is burdensome and of no or inconsequential value and benefit to the estate. In that circumstance, the Debtor submits that rejection of the Leases, leaving the tenants with their possessory and other rights appurtenant to the Property, represents a sound exercise of the Debtor's business judgment, as described by the cases cited above.

49. The Debtor is aware that the Court recently questioned in a different bankruptcy case whether a debtor could sell an apartment project if it rejected tenant leases. See In re 315 Franklin, LLC Bankr. Case No. 17-00512-SMT [Dkt. No. 95]. Nonetheless, there is nothing in section 365(a) or 365(h) or in section 363(b) that expressly bars a debtor from selling property that is subject to an unexpired lease that has been rejected.

50. A rule that a debtor-lessor's rejection of a real property lease extinguishes the debtor's right to sell property under section 363 inexorably leads to outcomes that could dramatically injure the interests of both a debtor and its creditors. For instance, a large shopping center debtor may find it financially expedient to reject the lease of a kiosk within the shopping center. A rule that rejection of the kiosk lease makes it impossible for the debtor thereafter to sell the shopping center to a third party

makes little economic sense and could force the debtor to liquidate under chapter 7, even though a sale and reorganization would be far more desirable. There is nothing in sections 363 or 365 that compels such an unreasonable result. The same problem could arise with respect to a debtor owning a 1,000 unit apartment project. In the event that the debtor finds it reasonable to reject one apartment lease, it should not be disqualified from paying its creditors through a sale of the entire project, subject to the rights of the lessee of the rejected lease. Any rule that a debtor can sell property if certain leases are rejected but not others would have no textual support under the Bankruptcy Code.

51. Both the Dishi & Sons, 510 B.R. at 708, and Spanish Peaks Holdings, 872 F.3d at 899, cases found no statutory bar to a debtor's sale of real property subject to a rejected lease. Accordingly, the Debtor respectfully submits that, in the event the Court finds that the Debtor should not be authorized to assume and assign the Leases to Wesley, the Court should authorize it to reject the Leases and convey the Property to Wesley subject to the Leases.

**E. Reservation of Rights as to the Leases**

52. The Debtor reserves any all rights, claims, and defenses with respect to the characterization of the Leases under section 365, applicable non-bankruptcy law or otherwise, including, without limitation, any and all rights to assert that the Leases do not constitute unexpired Leases of residential real property under applicable law and that there are no defaults under the Leases which require remedial conduct by the Debtor.

**F. Compliance with Bankruptcy Rule 6006(f)**

53. Bankruptcy Rule 6006(f) establishes requirements for a motion to assume multiple unexpired leases that are not between the same parties. Rule 6006(f) states, in pertinent part, that such a motion shall:

(f) Omnibus Motions. A motion to reject or, if permitted under subdivision (e), a motion to assume or assign multiple executory contracts or unexpired leases that are not between the same parties shall:

(1) state in a conspicuous place that parties receiving the omnibus motion should locate their names and their contracts or leases listed in the motion;

(2) list parties alphabetically and identify the corresponding contract or lease;

(3) specify the terms, including the curing of defaults, for each requested assumption or assignment;

(4) specify the terms, including the identity of each assignee and the adequate assurance of future performance by each assignee, for each requested assignment;

(5) be numbered consecutively with other omnibus motions to assume, assign, or reject executory contracts or unexpired leases; and

(6) be limited to no more than 100 executory contracts or unexpired leases.

The Debtor respectfully submits that this Motion complies with the requirements of Rule 6006(f).

**VI. REQUEST FOR IMMEDIATE RELIEF AND WAIVER OF STAYS**

54. Bankruptcy Rule 6004(h) provides that “[a]n order authorizing the use, sale, or lease of property other than cash collateral is stayed until the expiration of 14 days after entry of the order, unless the court orders otherwise.” To the extent Rule

6004(h) applies to the relief requested in this Motion, the Debtor requests a waiver of any stay of the effectiveness of an order granting any relief under this Motion.

55. Bankruptcy Rule 6006(d) provides that “[a]n order authorizing the trustee to assign an executory contract or unexpired lease under § 365(f) is stayed until expiration of 14 days after the entry of the order, unless the court orders otherwise.” As with any stay under Rule 6004(h), the Debtor requests a waiver of the stay of any order authorizing the Debtor’s assignment of the Leases to Wesley.

56. Waiver of the foregoing stays will allow the Debtor to assume and assign (or reject) the Leases in a timely and efficient manner, minimize the Debtor’s postpetition administrative liabilities (including, but not limited to the accrual of interest on the Fannie Mae secured notes), and allow Wesley to assume management of the Property as soon as possible. Accordingly, the Debtor submits that sufficient cause exists to justify a waiver of the 14-day stays under Rule 6004(h) (if applicable) and Rule 6006(d).

## **VII. NOTICE**

57. Notice of this Motion has been given to (i) the tenants under each of the Leases identified on Exhibit D, (ii) the office of the United States Trustee, (iii) all entities on the mailing matrix for this case, (iv) all parties and entities that have filed a request for service of filings in this case pursuant to Bankruptcy Rule 2002. The Debtor submits that such notice is sufficient and no other or further notice of this Motion need be provided.

**VIII. WAIVER OF MEMORANDUM OF LAW**

58. The Debtor respectfully requests that this Court treat this Motion as a written memorandum of points and authorities in accordance with Local Bankruptcy Rule 9013-1(b)(2).

WHEREFORE the Debtor respectfully requests that the Court: (a) enter the Proposed Order granting the relief requested herein; and (b) grant the Debtor such other and further relief as the Court may deem proper.

Dated: December 27, 2017

Respectfully submitted,

/s/ Stephen E. Leach

Stephen E. Leach (D.C. Bar No. 925735)  
Kristen E. Burgers (D.C. Bar No. 500674)  
HIRSCHLER FLEISCHER  
8270 Greensboro Drive, Suite 700  
Tysons, Virginia 22102  
Telephone: (703) 584-8900  
Telecopier: (703) 584-8901  
Email: sleach@hf-law.com  
kburgers@hf-law.com

*Counsel to Mayfair-Hawaii, LLC, Debtor in Possession*

**CERTIFICATE OF SERVICE**

I hereby certify that on December 27, 2017, a correct copy of the foregoing Debtor's Motion for an Order Pursuant to Sections 105, 363, and 365 of the Bankruptcy Code Authorizing (I) Sale of Debtor's Real Property Free and Clear of Liens and Interests, (II) Assumption and Assignment of Unexpired Leases in Connection with Sale and Fixing Cure Amounts with Respect to Assumed Leases, (III) Rejection of Unexpired Leases that Debtor Cannot Assume and Sale of Real Property Subject to Such Leases, and (IV) Consummation of All Transactions Related to the Above, including all exhibits and a proposed Order, was served by first-class mail, postage prepaid, upon the parties on the attached service list.

*/s/ Stephen E. Leach*

\_\_\_\_\_  
Stephen E. Leach

**SERVICE LIST**

**CREDITORS AND RULE 2002 NOTICE PARTIES**

**Bradley D. Jones**  
Office of the US Trustee  
115 S. Union Street, Room 210  
Alexandria, VA 22314

**Kermit A. Rosenberg**  
Bailey & Ehrenberg PLLC  
1015 18<sup>th</sup> Street, NW, Suite 204  
Washington, DC 20036

**John G. McJunkin**  
J. David Folds  
Baker Donelson Bearman Caldwell  
901 K Street, NW, Suite 900  
Washington, DC 20001

**Wendy Stark, VP & General Counsel**  
PEPCO  
701 9<sup>th</sup> Street, NW  
Washington, DC 20068

**Leslie T. Thornton, Sr. VP & General Counsel**  
Washington Gas  
101 Constitution Avenue, NW  
Washington, DC 20001

**Arthur R. Block, Executive VP,**  
General Counsel & Secretary  
Comcast Corporation  
1701 JFK Boulevard  
Philadelphia, PA 19103

**Lowell C. McAdam, Chairman & CEO**  
Verizon -- Headquarters  
1095 Avenue of the Americas  
New York, NY 10036

**Craig Silliman, Exec. VP-Public Policy & GC**  
Verizon -- Headquarters  
1095 Avenue of the Americas  
New York, NY 10036

**Blazin Pest Control**  
1094 Spring Valley Court  
Ft. Washington, MD 20744

**Cintas Corporation**  
PO Box 636525  
Cincinnati, OH 45263

**Jonathan L. Gold**  
Michael Best & Friedrich LLP  
601 Pennsylvania Avenue, NW, Ste. 700S  
Washington, DC 20004

**CT Corporation**  
PO Box 4349  
Carol Stream, IL 60197-4349

**DC Water and Sewer Authority**  
c/o Emil Hirsch  
Polsinelli PC  
1401 Eye Street, NW, Suite 800  
Washington, DC 20005

**Dept. of Consumer and Regulatory Affairs**  
1100 4<sup>th</sup> Street, SW  
Washington, DC 20024

**DC Treasurer-Real Property Tax A**  
PO Box 98095  
Washington, DC 20090

**F.H. Star Painting Services**  
14708 Flinstone Lane  
Silver Spring, MD 20905

**HayStack ID**  
1400 16<sup>th</sup> Street, NW, Suite B-01  
Washington, DC 20036

**Hessler Associates, Inc.**  
3862 Clifton Manor Place  
Haymarket, VA 20169

**Innovative Pest Management**  
12240 Indian Creek Court, Suite 140  
Beltsville, MD 20705

**KMP Hauling**  
PO Box 650821  
Sterling, VA 20165

**A. Carter Nowell**  
6807 Bradley Boulevard  
Bethesda, MD 20817

**Oakmont Management Group**  
7605 Arlington Road, Suite 250  
Bethesda, MD 20814

**PEPCO**  
PO Box 13608  
Philadelphia, PA 19101-3608

**Realpage**  
PO Box 671777  
Dallas, TX 75267-1777

Rent Controlled Consultants Inc.  
60 Market Street, Suite 211  
Gaithersburg, MD 20878

Rocha & Company PC  
9841 Washingtonian Boulevard  
Gaithersburg, MD 20878

State of Delaware-Div. of Corps.  
PO Box 898  
Dover, DE 19903

Washington, Gas  
PO Box 37747  
Philadelphia, PA 19101

WGCF Solar Services LLC  
RA: Corporate Creations Network Inc.  
3411 Silverside Road, Suite 104  
Wilmington, DE 19810

Tasco  
9200 Cody  
Overland Park, KS 66214-1734

Potomac Electric Power Company  
PO Box 4863  
Trenton, NJ 08625

Washington Gas  
Attn: Customer Care  
6801 Industrial Road  
Springfield, VA 22151

DC Treasurer-Office of Admin. Hea  
441 4<sup>th</sup> Street, NW, Suite E500  
Washington, DC 20024

DC Treasurer-DCRA Agency Fiscal Officer  
11400 4<sup>th</sup> Street, SW  
Washington, DC 20024

Oakmont Management LLC  
c/o Oakmont Management Group  
7605 Arlington Road, Suite 250  
Bethesda, MD 20814

DC Treasurer  
PO Box 2014  
Washington, DC 20013-2014

Verizon  
PO Box 660720  
Dallas, TX 75226-0720

Federal National Mortgage Association  
3900 Wisconsin Avenue, NW  
Washington, DC 20016

Castro Landscaping LLC  
c/o Manuel Castro  
2714 Parkland Drive  
Rockville, MD 20853

Cole Goodson & Associates LLC  
4350 East West Highway, Suite 1150  
Bethesda, MD 20814

Federal Insurance Company  
Manier & Herod  
150 4<sup>th</sup> Avenue, N, Suite 2200  
Nashville, TN 37219

Pitney Bowes  
500 Ross Street, Suite 154-0470  
Pittsburgh, PA 15262

Quick Messenger Service  
4829 Fairmont Avenue, 2<sup>nd</sup> Floor  
Bethesda, MD 20814

The Liberty Group  
4501 N. Fairfax Drive, Suite 1200  
Arlington, VA 22203

Wesley Housing Development Corp.  
Of Northern Virginia  
5515 Cherokee Avenue, Suite 200  
Alexandria, VA 222312

Who But Mason  
9420 Gerwig Lane  
Columbia, MD 21046

Will Romero  
3801 Executive Avenue  
Alexandria, VA 22305

**TENANTS**

**Aaron Jasper**  
1 Hawaii Avenue, NE, #109  
Washington, DC 20011

**Bernadine Holt**  
1 Hawaii Avenue, NE, #110  
Washington, DC 20011

**Carlos Castellon**  
1 Hawaii Avenue, NE, #108  
Washington, DC 20011

**Carol Gregg**  
1 Hawaii Avenue, NE, #112  
Washington, DC 20011

**Charles Patrick**  
1 Hawaii Avenue, NE, #114  
Washington, DC 20011

**Cindy Riale**  
1 Hawaii Avenue, NE, #206  
Washington, DC 20011

**Cleve Washington**  
1 Hawaii Avenue, NE, #217  
Washington, DC 20011

**Damon Warrick**  
1 Hawaii Avenue, NE, #216  
Washington, DC 20011

**Elsa Beltran**  
1 Hawaii Avenue, NE, #107  
Washington, DC 20011

**Erika Umansor Parada**  
1 Hawaii Avenue, NE, #202  
Washington, DC 20011

**George Martin**  
1 Hawaii Avenue, NE, #209  
Washington, DC 20011

**Gregory Cook, Sr.**  
1 Hawaii Avenue, NE, #204  
Washington, DC 20011

**Jacob Folger**  
1 Hawaii Avenue, NE, #211  
Washington, DC 20011

**Jamaal Shabazz**  
1 Hawaii Avenue, NE, #118  
Washington, DC 20011

**James Chilo**  
1 Hawaii Avenue, NE, #103  
Washington, DC 20011

**Justin Derricote**  
1 Hawaii Avenue, NE, #214  
Washington, DC 20011

**Linda Southerland**  
1 Hawaii Avenue, NE, #218  
Washington, DC 20011

**Louise Harris**  
1 Hawaii Avenue, NE, #210  
Washington, DC 20011

**Luis Guerrar**  
1 Hawaii Avenue, NE, #203  
Washington, DC 20011

**Mario Guevara**  
1 Hawaii Avenue, NE, #212  
Washington, DC 20011

**Marsheila McKeiver**  
1 Hawaii Avenue, NE, #101  
Washington, DC 20011

**Melyni McGriff-Williams**  
1 Hawaii Avenue, NE, #208  
Washington, DC 20011

**Michael Watkins**  
1 Hawaii Avenue, NE, #205  
Washington, DC 20011

**Nelecia Lewis**  
1 Hawaii Avenue, NE, #102  
Washington, DC 20011

**Richard Johnson**  
1 Hawaii Avenue, NE, #116  
Washington, DC 20011

**Rony Castro-Hernandez**  
1 Hawaii Avenue, NE, #207  
Washington, DC 20011

**Salome Slade**  
1 Hawaii Avenue, NE, #106  
Washington, DC 20011

**Sarah Randolph**  
1 Hawaii Avenue, NE, #117  
Washington, DC 20011

**Steve Boston**  
1 Hawaii Avenue, NE, #115  
Washington, DC 20011

**Wayne Roberts**  
1 Hawaii Avenue, NE, #B1  
Washington, DC 20011

9355478.1 042786.00001

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF COLUMBIA**

<hr/>	)	
<b>In re:</b>	)	
	)	
<b>MAYFAIR-HAWAII, LLC,</b>	)	<b>Case No. 17-00514-SMT</b>
	)	
<b>Debtor in possession.</b>	)	<b>(Chapter 11)</b>
<hr/>	)	

**ORDER AUTHORIZING (I) SALE OF DEBTOR’S REAL PROPERTY FREE AND CLEAR OF LIENS AND INTERESTS, (II) ASSUMPTION AND ASSIGNMENT OF UNEXPIRED LEASES IN CONNECTION WITH SALE AND FIXING CURE AMOUNTS WITH RESPECT TO ASSUMED LEASES, AND (III) CONSUMMATION OF ALL RELATED TRANSACTIONS**

Upon consideration of the Motion of Debtor for Order Pursuant to Sections 105, 363, and 365 of the Bankruptcy Code Authorizing (I) Sale of Debtor’s Real Property Free and Clear of Liens and Interests, (II) Assumption and Assignment of Unexpired Leases in Connection with Sale, and Fixing Cure Amounts with Respect to Assumed Leases, (III) Rejection of Unexpired Leases that Debtor Cannot Assume and Sale of Real Property Subject to Such Leases, and (IV) Consummation of All Transactions Related to the Above (the “Motion”), filed by Mayfair-Hawaii, LLC (the “Debtor”) as debtor and debtor in possession; and the Court having determined that (i) the relief sought in the Motion is in the best interest of the Debtor, its estate, its creditors, and all parties in interest; and (ii) the legal and factual bases set forth in the Motion and any

exhibits and arguments of counsel offered at any hearing on the Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefore, it is  
**HEREBY FOUND AND DETERMINED THAT:**

A. The Court has jurisdiction to hear and determine the propriety of entering this Order pursuant to 28 U.S.C. §§ 157 and 1334. Venue of this proceeding in this district is proper pursuant to 28 U.S.C. § 1409. The Motion and any hearing thereon constitute a core proceeding pursuant to 28 U.S.C. § 157(b)(2). The statutory predicates for the relief requested herein are, *inter alia*, section 105, 363, and 365 of the United States Bankruptcy Code, as supplemented by Federal Rules of Bankruptcy Procedure 2002, 6004, and 6006.

B. Pursuant to Bankruptcy Rule 2002(a), proper, timely, adequate, and sufficient notice of, and opportunity to object to, the Motion has been provided to all parties entitled thereto in accordance with the various provisions of the Bankruptcy Code, the Bankruptcy Rules, the local rules of the Court, and all requirements of procedural due process.

C. Capitalized terms which are not otherwise defined in this Order shall have the same meaning as set out in the Motion.

D. The provisions of section 363(f) of the Bankruptcy Code are satisfied because the claims of the Federal National Mortgage Association (“Fannie Mae”) and any other creditor whose claim is secured by a lien against the Debtor’s Property will be paid in full at closing on the Sale of the Property.

E. The Sale of the Property (a copy of the legal description of which is attached to this Order as Exhibit A) to Wesley Housing Development Corporation of Northern Virginia (“Wesley”), and the assumption and assignment to Wesley of the tenant Leases at the Property,

is an appropriate exercise of the Debtor's business judgment and is in the best interest of the Debtor and its estate.

F. The sale process pursuant to the Motion was non-collusive, fair and reasonable, conducted in good faith and at arms-length, and not conducted by any means prohibited by law. Neither the Debtor nor Wesley has engaged in any conduct that would prevent the application of 363(m) of the Bankruptcy Code.

G. The Sale of the Property under the Purchase Agreement and the Motion is fair and reasonable under the circumstances and constitutes full and adequate consideration and reasonably equivalent value for the Property.

NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:

1. Subject to the terms of this Order, the Motion is GRANTED and any and all objections to the Motion that were not withdrawn are hereby OVERRULED.

2. The Debtor is authorized to sell the Property to Wesley, pursuant to the terms and conditions of the Purchase Agreement attached to the Motion, as modified by the Motion.

3. The sale of the Property shall be free and clear of the liens of Fannie Mae and the District of Columbia, and any liens for real estate taxes, provided; however, Fannie Mae's liens and security interests shall attach to any proceeds of sale placed into escrow pending resolution of any disputes between Fannie Mae and the Debtor as to the proper amount of Fannie Mae's claims.

4. The Debtor is authorized and directed to pay the secured claims of Fannie Mae and the District of Columbia, and any real estate taxes and utilities relating to the Property (prorated to the date of closing on the sale), from the proceeds of the sale of the Property at closing.

5. The Debtor is authorized to take all necessary and reasonable actions to consummate the sale of the Property.

6. The Debtor is authorized to pay from the proceeds of the sale customary closing costs pursuant to the Purchase Agreement or as is typical for comparable real estate transactions within the District of Columbia.

7. Wesley is a good faith purchaser entitled to the protections of 11 U.S.C. § 363(m).

8. Pursuant to sections 365(a) and (b) of the Bankruptcy Code, the Debtor is authorized and directed to assume the Leases identified on Exhibit B attached to this Order as of closing on the Sale of the Property.

9. As set forth on Exhibit B to this Order, there are no Cure Amounts or defaults under the Leases requiring further compliance with section 365(b) of the Bankruptcy Code.

10. Pursuant to section 365(f) of the Bankruptcy Code, the Debtor is authorized and directed to assign the Leases to Wesley as of closing on the Sale of the Property.

11. The Debtor is authorized to execute such documents or other instruments as may be necessary to assume and assign the Leases.

12. Any and all rights, claims, and defenses of the Debtor with respect to the Leases are preserved.

13. This Order shall be effective immediately upon entry. No automatic stay of execution, pursuant to Rules 6004 or 6006 of the Federal Rules of Bankruptcy Procedure, applies with respect to this Order.

14. The Court shall retain jurisdiction to hear and determine any matters arising from the implementation of this Order.

**END OF ORDER**

Copies to:

Stephen E. Leach  
Kristen E. Burgers  
HIRSCHLER FLEISCHER  
8270 Greensboro Drive, Suite 700  
Tysons, Virginia 22102

Bradley D. Jones  
Office of the United States Trustee  
115 South Union Street, Suite 210  
Alexandria, Virginia 22314

John G. McJunkin  
J. David Folds  
BAKER DONELSON BEARMAN  
CALWELL & BERKOWITZ, PC  
901 K Street NW, Suite 901  
Washington, DC 20001

9354986.1 042786.00001

LEGAL DESCRIPTION

All that certain lot or parcel of land situate in the District of Columbia and being more particularly described as follows:

Part of a track of Land called "Turner's Improvement", described as follows:

Beginning at the intersection of Easterly line of North Capitol Street with the Southwesterly line of Hawaii Avenue and running thence South 49 degrees 57 minutes 10 seconds East along the said line of Hawaii Avenue 246.11 feet to the Northerly line of Allison Street; thence South 64 degrees 43 minutes 40 seconds West along said Northerly line of Allison Street 240.23 feet; thence North 3 degrees 19 minutes West 85.87 feet to the said Easterly line of North Capitol Street; thence Northerly along said North Capitol Street an arc distance of 179.39 feet to the place of beginning, according to plat of survey recorded in the Office of the Surveyor for the District of Columbia in Survey Book 141 at page 433.

NOTE: at the date hereof the above described property is designated on the Records of the Assessor for the District of Columbia for assessment and taxation purposes as Parcel 124/77.

APN: 124/77

Doc #: 2014024711 Fees: \$1,761.31  
03/20/2014 10:39 AM Pages: 21  
Filed and Recorded in Official Records of  
WASH DC RECORDER OF DEEDS IDA WILLIAMS

RECORDING FEES	\$150.00
SURCHARGE	\$6.50
RECORDATION TAX FEES	\$1,604.81

Tenant Last Name	Tenant First Name	Name of Co-Tenant	Unit Number	Date of Lease	Landlord Under Lease
Beltran	Elsa		107	02/29/12	Borger Management, Inc.
Boston	Steve		115	02/20/13	Sanford Capital, LLC
Castellon	Carlos	Bersabe Castellon	108	01/01/10	Borger Management, Inc.
Castro-Hernandez	Rony		207	12/09/14	Sanford Capital, LLC
Chilo	James		103	05/08/08	Cafritz Company
Cook, Sr.	Gregory		204	03/11/16	Oakmont Mangement, Mayfair-Hawaii LLC
Derricote	Justin		214	06/01/16	Oakmont Management, LLC
Folger	Jacob		211	04/21/15	Oakmont Management, LLC
Gregg	Carol	Michael Burnett	112	02/14/11	Borger Management, Inc.
Guerrar	Luis		203	10/02/15	Oakmont Management, LLC
Guevara	Mario		212	04/30/15	Oakmont Management, LLC
Harris	Louise		210	02/01/78	Landlord unknown
Holt	Bernadine		110	12/04/97	Frank Emmet Real Estate, Inc., a Corporation (Estate of Joseph Carroll, et. al., Owner)
Jasper	Aaron		109	12/21/15	Oakmont Management, LLC
Johnson	Richard		116	09/30/16	Oakmont Mangement, Mayfair-Hawaii LLC
Lewis	Nelecia		102	04/01/17	Oakmont Mangement, Mayfair-Hawaii LLC
Martin	George		209	07/16/12	Sanford Capital, LLC
McGriff-Williams	Melyni		208	11/15/00	Cafritz Company
McKeiver	Marsheila		101	12/19/13	Sanford Capital, LLC
Parada	Erika Umansor		202	09/01/11	Borger Management, Inc.
Patrick	Charles		114	04/30/14	Sanford Capital, LLC
Randolph	Sarah		117	06/04/13	Sanford Capital, LLC

Tenant Last Name	Tenant First Name	Name of Co-Tenant	Unit Number	Date of Lease	Landlord Under Lease
Riale	Cindy		206	12/02/16	Oakmont Mangement, Mayfair-Hawaii LLC
Roberts	Wayne		104	03/24/16	Oakmont Mangement, Mayfair-Hawaii LLC
Shabazz	Jamaal		118	11/05/99	Cafritz Company
Slade	Salome		106	07/31/15	Oakmont Management, LLC
Southerland	Linda		218	06/22/07	Cafritz Company
Warrick	Damon		216	07/01/16	Oakmont Management, LLC
Washington	Cleve		217	12/18/15	Oakmont Management, LLC
Watkins	Michael		205	09/01/15	Oakmont Management, LLC

LEGAL DESCRIPTION

All that certain lot or parcel of land situate in the District of Columbia and being more particularly described as follows:

Part of a track of Land called "Turner's Improvement", described as follows:

Beginning at the intersection of Easterly line of North Capitol Street with the Southwesterly line of Hawaii Avenue and running thence South 49 degrees 57 minutes 10 seconds East along the said line of Hawaii Avenue 246.11 feet to the Northerly line of Allison Street; thence South 64 degrees 43 minutes 40 seconds West along said Northerly line of Allison Street 240.23 feet; thence North 3 degrees 19 minutes West 85.87 feet to the said Easterly line of North Capitol Street; thence Northerly along said North Capitol Street an arc distance of 179.39 feet to the place of beginning, according to plat of survey recorded in the Office of the Surveyor for the District of Columbia in Survey Book 141 at page 433.

NOTE: at the date hereof the above described property is designated on the Records of the Assessor for the District of Columbia for assessment and taxation purposes as Parcel 124/77.

APN: 124/77

Doc #: 2014024711 Fees: \$1,761.31  
03/20/2014 10:39 AM Pages: 21  
Filed and Recorded in Official Records of  
WASH DC RECORDER OF DEEDS IDA WILLIAMS

RECORDING FEES \$150.00  
SURCHARGE \$6.50  
RECORDATION TAX FEES \$1,604.81

## PURCHASE AGREEMENT

Mayfair-Hawaii LLC ("Seller") agrees, this 8<sup>th</sup> day of September, 2017 ("Effective Date"), to sell 1 Hawaii Avenue NE Washington, DC 20011, Parcel 0124 0077 ("Property") to Wesley Housing Development Corporation of Northern Virginia ("Buyer"), and Buyer agrees to purchase the Property, on the following terms and conditions:

- 1) **PURCHASE PRICE:** The purchase price for the Property is Seventy-Five Thousand Dollars (\$75,000) plus an amount that Buyer and Fannie Mae ("Lender") mutually agree for the assumption or satisfaction of the two Lender deeds of trust that currently are secured against the Property.
- 2) **DEPOSIT:** The deposit in the sum of Seventy-Five Thousand dollars (\$75,000) to be paid by Buyer to Seller shall, within three (3) business days after the Effective Date, be deposited with the Title Company (as defined in paragraph 3, below). The Deposit shall be held as earnest money and shall be applied as part payment of the Purchase Price at closing or as otherwise provided herein. If this Agreement is voided by Buyer for any reason permitted under this Agreement, the Deposit shall be refunded to Buyer, and no party hereto shall have any further rights to said Deposit.
- 3) **TITLE:** Buyer shall cause an examination of title to the Property to be made, and a title insurance commitment with respect to the Property to be issued by Eisen and Rome, P.C. as agent for First American Title Insurance Company (the "Title Company"). At Buyer's option and expense, Buyer may cause an accurate survey to be made of the Property by a registered land surveyor of Buyer's choice. Within Thirty (30) calendar days after the Effective Date of this Agreement, Buyer shall deliver a copy of the title commitment to Seller, together with a copy of any survey Buyer shall have prepared, accompanied by a letter to Seller in which Buyer shall either approve in writing the exceptions contained in said title commitment and survey, or specify in writing any exceptions to which Buyer reasonably objects. If Buyer objects to any exceptions, Seller shall, within Ten (10) calendar days after receipt of Buyer's objections, deliver to Buyer written notice that either (i) Seller will, at Seller's expense, attempt to remove the exception(s) to which Buyer has objected before the Closing Date or (ii) Seller is unwilling or unable to eliminate the exception(s). If Seller fails to so notify Buyer or is unwilling or unable to remove any such exception by the Closing Date, Buyer may elect to terminate this Agreement and receive back the entire Deposit, in which event Buyer and Seller shall have no further obligations under this Agreement; or, alternatively, Buyer may elect to purchase the Property subject to such exception(s).

Seller shall convey by special warranty deed to Buyer (or such other person or entity as Buyer may specify) marketable fee simple title subject only to the exceptions approved by Buyer in accordance with this Agreement. Title shall be insurable by a standard ALTA owner's policy of title insurance issued by the Title Company with standard exceptions in the amount of the purchase price with premium paid by Buyer.

- 4) **CLOSING:** Closing shall be within the time period set forth in the Tenant Rights Addendum. At the Closing, Seller shall execute and deliver to Buyer a special warranty deed subject to those exceptions permitted by this Agreement, an I.R.C. Section 1445 non-foreign affidavit, and any other documents reasonably required by the Title Company; and each party hereto shall execute and deliver such other documents necessary or appropriate to effect and complete the Closing.

Real property taxes, premiums on insurance acceptable to Buyer, interest on any debt being assumed or taken subject to by Buyer, and any other ongoing expenses or costs of the continued operation of the Property shall be prorated as of the Closing Date. Security deposits, advance rentals, and the amount of any future lease credits shall be credited to Buyer at Closing. The amount of any assessment not customarily paid with real property taxes shall be paid by Seller.

The Seller shall pay the DC transfer tax and the Buyer shall pay the DC recordation tax or establish its exemption from the recordation tax.

- 5) **FINANCING CONTINGENCIES AND INSPECTIONS:**

5.1 At Closing, Buyer shall either satisfy, or purchase the Property subject to, the existing two promissory notes and deeds of trust. If Buyer is unable to negotiate assumption on terms acceptable to Buyer within sixty (60) calendar days following the Effective Date, Buyer will secure financing from other sources to satisfy the existing two promissory notes. The two existing promissory notes are in the original principal balances of \$1,930,580 and \$1,050,000. If Buyer assumes the notes, at Closing Seller and lender shall deliver an estoppel certificate specifying the unpaid principal balance, accrued interest, fees and charges, and maturity date.

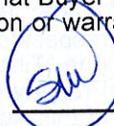
5.2 **BOOKS AND RECORDS:** Seller agrees to provide Buyer with items listed below within Three (3) calendar days following the Effective Date:

- a. All rental agreements, leases, service contracts, insurance policies, latest tax bill(s) and other written agreements or notices which affect the Property.
- b. The operating statements of the Property for the twenty four (24) calendar months immediately preceding the Effective Date hereof, other than any period during which a receivership was in place at the Property.
- c. A complete and current rent roll, including a schedule of all tenant deposits and fees.
- d. Any existing engineering (e.g. structural, mechanical, soils, etc.) or environmental report relating to the property.

5.3 **PHYSICAL INSPECTION:** At any time following the Effective Date Buyer may enter onto the Property and inspect the physical condition of the Property, including but not limited to the soil conditions and the presence or absence of lead-based paint and other hazardous materials on or about the Property.

- 6) **LEASED PROPERTY PRORATIONS:** Rents actually collected (prior to closing) will be prorated as of the Closing Date and rent collected thereafter applied first to rental payments then owed to the Buyer and their remainder paid to the Seller. All free rent due any tenant at the time of closing for rental periods after the closing shall be a credit against the Purchase Price.
- 7) **PERSONAL PROPERTY:** Title to any personal property to be conveyed to Buyer in connection with the sale of the Property shall be conveyed to Buyer by Bill of Sale on the Closing Date free and clear of all encumbrances (except those approved by Buyer as provided above). The price of these items shall be included in the Purchase Price for the Property, and Buyer agrees to accept all such personal property in "as is" condition.
- 8) **CONDITION OF PROPERTY:** It is understood and agreed that the Property is being sold "**AS IS**"; that Buyer has, or will have prior to the Closing Date, inspected the Property; and that Seller makes no representation or warranty as to the physical condition or value of the Property or its suitability for Buyer's intended use.

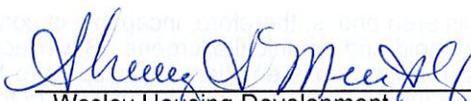
Buyer's Initials



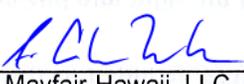
- 19) **RISK OF LOSS:** Risk of loss to the Property shall be borne by Seller until title has been conveyed to Buyer. In the event that the improvements on the Property are destroyed or materially damaged between the Effective Date of this Agreement and the date title is conveyed to Buyer, Buyer shall have the option of demanding and receiving back the entire Deposit and being released from all obligations hereunder, or alternatively, taking such improvements as Seller can deliver. Upon Buyer's physical inspection and approval of the Property, Seller shall maintain the Property through closing in the same condition and repair as approved, reasonable wear and tear excepted.
- 10) **POSSESSION:** Possession of the Property shall be delivered to Buyer at closing, subject to existing tenancies.
- 11) **LIQUIDATED DAMAGES:** By placing their initials immediately below, Buyer and Seller agree that it would be impracticable or extremely difficult to fix actual damages in the event of a default by Buyer, that the amount of Buyer's Deposit hereunder (as same may be increased by the terms hereof) is the parties' reasonable estimate of Seller's damages in the event of Buyer's default, and that upon Buyer's default in its purchase obligations under this agreement, not caused by any breach by Seller, Seller shall be released from its obligations to sell the Property and shall retain Buyer's Deposit (as same may be increased by the terms hereof) as liquidated and agreed upon damages, which shall be Seller's sole and exclusive remedy in law or at equity for Buyer's default. Provided, however, the deposit shall be refundable pursuant to the Tenant Rights Addendum
- 12) **SELLER EXCHANGE:** Buyer agrees to cooperate should Seller elect to sell the Property as part of a like-kind exchange under IRC Section 1031. Seller's contemplated exchange shall not impose upon Buyer any additional liability or financial obligation, and Seller agrees to hold Buyer harmless from any liability that might arise from such exchange. This Agreement is not subject to or contingent upon Seller's ability to acquire a suitable exchange property or effectuate an exchange. In the event any exchange contemplated by Seller should fail to occur, for whatever reason, the sale of the Property shall nonetheless be consummated as provided herein.
- 13) **BUYER EXCHANGE:** Seller agrees to cooperate should Buyer elect to purchase the Property as part of a like-kind exchange under IRC Section 1031. Buyer's contemplated exchange shall not impose upon Seller any additional liability or financial obligation, and Buyer agrees to hold Seller harmless from any liability that might arise from such exchange. This Agreement is not subject to or contingent upon Buyer's ability to dispose of its exchange property or effectuate an exchange. In the event any exchange contemplated by Buyer should fail to occur, for whatever reason, the sale of the Property shall nonetheless be consummated as provided herein.
- 14) **INTENTIONALLY LEFT BLANK:**

- 15) **NO AGENTS:** Buyer and Seller represent to each that no agent was involved in procuring this agreement on its behalf and each shall hold the other harmless and indemnify the other from all damages that may result from any violation of this representation.
- 16) **INTENTIONALLY LEFT BLANK:**
- 17) **LEAD-BASED PAINT HAZARDS:** Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase. **(SELLER TO INITIAL ONE BELOW):**  
 1. Seller warrants that the Property was constructed after 1978.  
 2. Seller is not sure when the Property was constructed and/or has reason to believe that lead-based paint hazards may be present (**Attach "LEAD-BASED PAINT DISCLOSURE ADDENDUM TO PURCHASE AGREEMENT"**).
- 18) **MOLD/ALLERGEN ADVISORY AND DISCLOSURE:** Buyer is advised of the possible presence within properties of toxic (or otherwise illness-causing) molds, fungi, spores, pollens and/or other botanical substances and/or allergens (e.g. dust, pet dander, insect material, etc.). These substances may be either visible or invisible, may adhere to walls and other accessible and inaccessible surfaces, may be embedded in carpets or other fabrics, may become airborne, and may be mistaken for other household substances and conditions. Exposure carries the potential of possible health consequences. Agent strongly recommends that Buyer contact the State Department of Health Services for further information on this topic.
- Buyer is advised to consider engaging the services of an environmental or industrial hygienist (or similar, qualified professional) to inspect and test for the presence of harmful mold, fungi, and botanical allergens and substances as part of Buyer's physical condition inspection of the Property, and Buyer is further advised to obtain from such qualified professionals information regarding the level of health-related risk involved, if any, and the advisability and feasibility of eradication and abatement, if any.
- Buyer is expressly cautioned that Agent has no expertise in this area and is, therefore, incapable of conducting any level of inspection of the Property for the possible presence of mold and botanical allergens. Buyer acknowledges that Agent has not made any investigation, determination, warranty or representation with respect to the possible presence of mold or other botanical allergens, and Buyer agrees that the investigation and analysis of the foregoing matters is Buyer's sole responsibility and that Buyer shall not hold Agent responsible therefore.
- 19) **ARBITRATION OF DISPUTES:** If a controversy arises with respect to the subject matter of this Purchase Agreement or the transaction contemplated herein (including but not limited to the parties' rights to the Deposit or the payment of commissions as provided herein), Buyer, Seller and Agent agree that such controversy shall be settled by final, binding arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Arbitration shall have the power to resolve any and all disputes between the parties arising out of this Agreement, including the right and power to enforce the Agreement.
- Notice: You are agreeing to have any dispute arising out of the matters included in the "Arbitration of Disputes" provision decided by neutral arbitration as provided by District of Columbia law and you are giving up any rights you might possess to have the dispute litigated in court or jury trial. You are giving up your judicial rights to discovery and appeal, unless such rights are specifically included in the "Arbitration of Disputes" provision. If you refuse to submit to arbitration after agreeing to this provision, you may be compelled to arbitrate. Your agreement to this arbitration provision is voluntary.
- We have read and understand the foregoing and agree to submit disputes arising out of the matters included in the "Arbitration of Disputes" provision to neutral arbitration.**
- 20) **SUCCESSORS & ASSIGNS:** This Agreement and any addenda hereto shall be binding upon and inure to the benefit of the heirs, successors, agents, representatives and assigns of the parties hereto.
- 21) **ATTORNEYS' FEES:** In any litigation, arbitration or other legal proceeding which may arise between any of the parties hereto, including Agent, the prevailing party shall be entitled to recover its costs and expenses, including costs and expenses of arbitration, court costs and expense and costs and expenses incurred on appeal, and reasonable attorneys' fees incurred in any disputes through arbitration and appeal of any final judgment in addition to any other relief to which such party may be entitled.
- 22) **TIME:** Time is of the essence of this Agreement.

- 23) **NOTICES:** All notices required or permitted hereunder shall be given to the parties in writing at their respective addresses as set forth below. Should the date upon which any act required to be performed by this Agreement fall on a Saturday, Sunday or holiday, the time for performance shall be extended to the next business day.
- 24) **ADDENDA:** Any addendum attached hereto and either signed or initialed by the parties shall be deemed a part hereof. This Agreement, including addenda, if any, expresses the entire agreement of the parties and supersedes any and all previous agreements between the parties with regard to the Property. There are no other understandings, oral or written, which in any way alter or enlarge its terms, and there are no warranties or representations of any nature whatsoever, either express or implied, except as set forth herein. Any future modification of this Agreement will be effective only if it is in writing and signed by the party to be charged.
- 25) **ACCEPTANCE AND EFFECTIVE DATE:** Buyer's signature hereon constitutes an acceptance of Seller's offer pursuant to TOPA. The "Effective Date" of this Agreement shall be the later of (a) the date on which Seller executes this Agreement, or (b) the date of or written acceptance (by either Buyer or Seller) of the final counter-offer submitted by the other party.
- 26) **GOVERNING LAW:** This Agreement shall be governed by and construed in accordance with the laws of Washington, DC.
- 27) **EMINENT DOMAIN:** In the event that prior to the closing all or any portion of the Property is condemned, or condemnation proceedings have been instituted by or on behalf of any public or quasi-public entity or for any public or quasi-public use or purpose, then, in the event that such condemnation substantially and materially adversely affects the Property, Buyer shall have the option to: (i) terminate this Agreement and receive the return of the deposit and all interest accrued thereon, or (ii) proceed with the closing and receive a credit against the Purchase Price of any award received or to be received.
- 28) **SEVERABILITY:** In the event any term or provision of this Agreement shall be held illegal, unenforceable or inoperative as a matter of law, the remaining terms and provisions of this Agreement shall not be affected thereby and shall remain in full force and effect.

BUYER:  ADDRESS: 5515 Cherokee Ave. Suite 200  
Wesley Housing Development Corporation of Northern Virginia by Shelley S. Murphy, President Alexandria, VA 22312

DATE: 9/8/17 TELEPHONE: 703-642-3830

SELLER:  ADDRESS: 7605 ARUNDELTON RD #258  
Mayfair-Hawaii, LLC BETHESDA, MD 20817

DATE: 9-8-17 TELEPHONE: 202-489-0500

Tenant Last Name	Tenant First Name	Name of Co-Tenant	Unit Number	Date of Lease	Landlord Under Lease
Beltran	Elsa		107	02/29/12	Borger Management, Inc.
Boston	Steve		115	02/20/13	Sanford Capital, LLC
Castellon	Carlos	Bersabe Castellon	108	01/01/10	Borger Management, Inc.
Castro-Hernandez	Rony		207	12/09/14	Sanford Capital, LLC
Chilo	James		103	05/08/08	Cafritz Company
Cook, Sr.	Gregory		204	03/11/16	Oakmont Mangement, Mayfair-Hawaii LLC
Derricote	Justin		214	06/01/16	Oakmont Management, LLC
Folger	Jacob		211	04/21/15	Oakmont Management, LLC
Gregg	Carol	Michael Burnett	112	02/14/11	Borger Management, Inc.
Guerrar	Luis		203	10/02/15	Oakmont Management, LLC
Guevara	Mario		212	04/30/15	Oakmont Management, LLC
Harris	Louise		210	02/01/78	Landlord unknown
Holt	Bernadine		110	12/04/97	Frank Emmet Real Estate, Inc., a Corporation (Estate of Joseph Carroll, et. al., Owner)
Jasper	Aaron		109	12/21/15	Oakmont Management, LLC
Johnson	Richard		116	09/30/16	Oakmont Mangement, Mayfair-Hawaii LLC
Lewis	Nelecia		102	04/01/17	Oakmont Mangement, Mayfair-Hawaii LLC
Martin	George		209	07/16/12	Sanford Capital, LLC
McGriff-Williams	Melyni		208	11/15/00	Cafritz Company
McKeiver	Marsheila		101	12/19/13	Sanford Capital, LLC
Parada	Erika Umansor		202	09/01/11	Borger Management, Inc.
Patrick	Charles		114	04/30/14	Sanford Capital, LLC
Randolph	Sarah		117	06/04/13	Sanford Capital, LLC

Tenant Last Name	Tenant First Name	Name of Co-Tenant	Unit Number	Date of Lease	Landlord Under Lease
Riale	Cindy		206	12/02/16	Oakmont Mangement, Mayfair-Hawaii LLC
Roberts	Wayne		104	03/24/16	Oakmont Mangement, Mayfair-Hawaii LLC
Shabazz	Jamaal		118	11/05/99	Cafritz Company
Slade	Salome		106	07/31/15	Oakmont Management, LLC
Southerland	Linda		218	06/22/07	Cafritz Company
Warrick	Damon		216	07/01/16	Oakmont Management, LLC
Washington	Cleve		217	12/18/15	Oakmont Management, LLC
Watkins	Michael		205	09/01/15	Oakmont Management, LLC