

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF MINNESOTA**

In Re:

RICHARD ALLEN SOLBERG,

Case No.: 17-60495

Chapter 11

Debtor.

**EXPEDITED NOTICE OF HEARING AND MOTION  
FOR APPROVAL TO AUCTION PROPERTY OF THE ESTATE**

- TO: The United States Bankruptcy Court, the United States Trustee, the Debtor, all creditors and all parties who requested notice under Bankruptcy Rule 2002.
1. David G. Velde, Trustee of the bankruptcy estate of the above-named debtor, moves the court for the relief requested below and gives notice of hearing.
  2. The Trustee seeks approval of an expedited basis. The Court will hold a hearing on this motion at 9:00 a.m. on Wednesday, June 6, 2018, in US Bankruptcy Court, Courtroom 2, 2<sup>nd</sup> Floor, 118 South Mill Street, Fergus Falls, Minnesota.
  3. Any response to this motion must be filed and served not later than Wednesday, June 6, 2018, at 9:00 a.m., at the hearing.
  4. This Chapter 11 case was filed on August 11, 2017. The court has jurisdiction over this motion pursuant to 28 U.S.C. §§157 and 1334. This is a core proceeding. The case is now pending in this Court.
  5. This motion arises under 11 U.S.C. § 363(f), and Federal Rule of Bankruptcy 6004©) and Local Rule 6004-1. This motion is filed under Bankruptcy Rule 9014 and Local Rule 9013-1.
  6. Movant seeks an order of the Court approving the auction of the Debtor's farm equipment, subject to creditor's secured liens. The Debtor had previously made arrangements with Steffes Group, Inc. ("Steffes") to auction the equipment. Steffes has completed the advertising and marketing of the equipment and the auction is set for Tuesday, June 19, 2018, at 11:00 a.m., at 23451 County Road 26, Badger, Minnesota. A delay in the auction will result in additional expenses to the estate. **See Exhibit A attached hereto.**
  7. The sale of each item is subject to the secured lien of each creditor. The Trustee will work with the lenders holding perfected security interests to satisfy their liens from the proceeds.

8. The Debtor has not claimed any of the equipment to be sold exempt.
9. The Trustee is obtaining information in order for the estate's accountant to determine the tax consequences to the estate. Given the recent appointment as Trustee and the prior scheduled auction by the Debtor, it is necessary to obtain court approval in advance of the auction date of June 19, 2018. Should it be determined that the auction will not be of benefit to the bankruptcy estate, the Trustee may seek abandonment of the estate's interest and allow the auction to proceed by the Debtor individually. In that event, the estate will not be responsible for any of the fees, expenses or taxes owing from the auction.
10. Steffes Group, Inc., will be allowed to retain its fees and expenses from the auction proceeds, as described on Exhibit A attached hereto, and remit the net proceeds to the bankruptcy estate.
11. The Trustee will file a report of sale after completion of the auction.

WHEREFORE, Movant herein seeks an expedited hearing and order approving the auction of the farm equipment, and for such other and further relief as the Court deems just and equitable.

Dated: May 16, 2018.

/e/ David G. Velde, Trustee  
1118 Broadway  
Alexandria, MN 56308  
Ph: (320) 763-6561  
Fax: (320) 763-6564

**Verification.** I, Dave G. Velde, the moving party named in the foregoing notice of hearing and motion, declare under penalty of perjury that the foregoing is true and correct according to the best of my knowledge, information and belief.

Dated: May 16, 2018.

/e/ David G. Velde



SteffesGroup.com

EXHIBIT A

### AUCTION SALE AGREEMENT

Agreement made this 30th day of April 2018 between

NAME Solberg Farms ; Richard A. Solberg Phone \_\_\_\_\_

ADDRESS 17951 ST Hwy 11 Fax \_\_\_\_\_

CITY/STATE/ZIP Greebush, MN 56726 Cell 218-686-7715

Email \_\_\_\_\_ SS or Tax ID \_\_\_\_\_

Whether one or more, hereafter called **OWNER**, and Steffes Group, Inc., hereafter called **AUCTIONEERS**. **OWNER** hereby employs the **AUCTIONEERS** to sell at public auction the goods set forth herein or on the attached sheet (Exhibit A). No item shall be sold or withdrawn from the sale prior to the auction except by mutual agreement between **OWNER** and **AUCTIONEERS**. If any item is sold or withdrawn, **AUCTIONEERS** shall receive full commission on the item.

The auction is to be held at 23451 Co. Rd. 26, Budger, MN 56714

Day/Month/Date/Year Tues. June, 19th 2018 Time 11AM

In case of postponement because of inclement weather, said auction will take place on a later date agreeable to both parties. In the event of cancellation for any reason, **AUCTIONEERS** shall be paid \$ Cost for advertising, and \$ Cost for travel, time and other reimbursable expenses incurred by Auctioneer.

It is mutually agreed that all goods will be sold to the highest bidder, with the exception of items specified by **OWNER** in writing to be protected. **AUCTIONEERS** shall receive full commission on any item not sold because of said protection if transferred or sold within 30 days after the auction.

It is further mutually agreed that **AUCTIONEERS** may deduct their fee at the rate set below from the gross sales receipts resulting from the auction sale. **AUCTIONEERS** agree to turn the net proceeds from the sale over to **OWNER** within fifteen business days of the auction along with sale records and receipts.

**OWNER** agrees that all expenses incurred for the advertisement, promotion and conducting of the auction shall be first paid from the proceeds realized from the auction before the payment and satisfaction of any liens or encumbrances.

**AUCTIONEERS** shall not be responsible if all or any part of the property is lost, stolen, damaged or destroyed or for injuries to persons or property on the premises. **OWNER** agrees to hold harmless, indemnify and defend **AUCTIONEERS** from and against any claims with respect to such lost, stolen, damaged or destroyed property or injury to persons or property.

**OWNER** covenants and agrees that he has good title and the right to sell, and that the goods are free from all encumbrances except as follows. If none, write **None**.

ITEM(S)	LIEN HOLDER/ADDRESS
<u>CNH Capital, John Deere Credit, Bremer Bank</u>	
<u>&amp; others</u>	

**OWNER** agrees to provide merchantable title to all items sold and deliver title(s) to **AUCTIONEERS** at least five (5) days prior to auction. **OWNER** shall be responsible for and shall indemnify and hold **AUCTIONEERS** harmless from all liability resulting from any statements or representations in regard to future use, rentals, physical shape, condition or improvements of any property described herein. **OWNER** guarantees there are no known hidden defects of any items, with exceptions being noted in writing and submitted to **AUCTIONEERS**. All items will be sold **AS IS WHERE IS**. It is agreed **AUCTIONEERS** represent the **OWNER** in this transaction. The licensee is authorized to purchase at this auction.

#### OWNER AGREES TO PAY ALL SALE EXPENSES INCLUDING

Auctioneer's & Clerk's Fee \$0 - \$1,250,000 = 5%, \$1,251,000 + = 6%

Advertising Per budget Internet Fee \$500 Facility Fee - Tables -

Set-Up Fees \$55/hr. Convenience Stations Cost Lunch -

STEFFES GROUP, INC

[Signature]

OWNER(S)

[Signature]

DATE: 4-30-

Scott Steffes ND81 & MN14-51 -- Brad Olstad ND319 & MN14-70 -- Bob Steffes ND82 & MN14-09 -- Eric Gabrielson ND890 & MN47-006 -- Ashley Huhn NDB43 & MN47-002 -- Randy Kath ND894 MN47-007  
Max Steffes ND999 & MN14-031  
In accordance with Ruling 51-05, 1-04.1, a bond in the amount of \$5,000 for each auctioneer & \$10,000 for the auction clerk are on file with ND Public Service Commission, Bismarck, ND 58505 (701) 328-2400

This Agreement is Void if OWNER receives financing on or before May 5th, 2018

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF MINNESOTA**

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RICHARD ALLEN SOLBERG,  
Debtor.

Case No.: 17-60495  
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**ORDER**

This matter came before the Court on the request of the Trustee for an expedited motion seeking approval to proceed with the auction of the farm equipment set for June 19, 2018. Based upon all of the files and records in this matter,

IT IS HEREBY ORDERED:

1. The Trustee's request for an expedited hearing is approved.
2. The Trustee is authorized to proceed with the auction of the farm equipment by Steffes Group, Inc., scheduled for June 19, 2018, at 11:00 a.m. at 23451 County Road 26, Badger, Minnesota.
3. The sale of the equipment will be subject to the liens of creditors having a perfected security interest. The Trustee will work with the lenders holding perfected security interests to satisfy their liens from the proceeds.
4. Should it be determined that the auction will not be of benefit to the bankruptcy estate, the Trustee may seek abandonment of the estate's interest and allow the auction to proceed by the Debtor individually. In that event, the estate will not be responsible for any of the fees, expenses or taxes owing from the auction.
5. Steffes Group, Inc., will be allowed to retain its fees and expenses from the auction proceeds, as described on Exhibit A attached hereto, and remit the net proceeds to the bankruptcy estate.
6. The Trustee will file a report of sale after completion of the auction.
7. The Trustee is authorized to execute documents as are necessary to complete the auction and sale of the equipment.

Dated:

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Michael E. Ridgway  
U.S. Bankruptcy Court Judge





SteffesGroup.com

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STEFFES GROUP, INC

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OWNER(S) [Signature]

DATE: 4-30-

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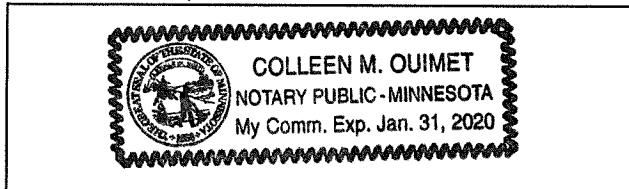
STATE OF MINNESOTA )  
 ) ss.  
COUNTY OF DOUGLAS )

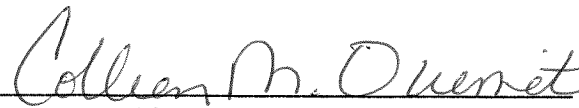
1. The Trustee believes an expedited is necessary in order to proceed with the auction of the farm equipment currently set for Tuesday, June 19, 2018, at 11:00 a.m., at 23451 County Road 26, Badger, Minnesota. A delay in the auction will result in additional marketing expenses to the estate.
2. The Trustee will serve all secured creditors and their respective attorneys by either email or facsimile as is possible the same day the motion is filed in order to provide as much notice as is possible.
3. The Trustee has requested information from the Debtor in order to determine the tax consequence to the estate. However, as of the date of this Affidavit, the Trustee believes an expedited hearing and proceeding with the already scheduled auction to be in the best interest of the estate.

Subscribed and sworn to before me this 16<sup>th</sup> day of May, 2018

  
\_\_\_\_\_  
David G. Velde, Trustee

Notarial Stamp or Seal



  
\_\_\_\_\_  
Notary Public