

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF TEXAS
AUSTIN DIVISION

IN RE:

SALADO SMILES, PC

CASE NO. 16-10413-TMD-11

DEBTOR

**DEBTOR'S MOTION TO SELL PERSONAL PROPERTY
PURSUANT TO 11 U.S.C. SEC. 363(b)(1)**

Now comes Salado Smiles, PC, Debtor-in-possession herein, and files this Motion to Sell Personal Property Pursuant to 11 U.C.C. Sec. 363(b)(1) and would show the following:

1. This case was commenced by the filing of a voluntary petition under Chapter 11 on April 5, 2016. The Debtor remains as Debtor-in-possession.
2. The meeting of creditors pursuant to 11 U.S.C. Sec. 341 was conducted and concluded on April 5, 2016.
3. This bankruptcy and the related bankruptcies of Howard Lufburrow, DDS (Case No. 16-60262-RBK-7) and Harker Heights Smiles, PC (Case No. 16-60202-RBK-7) resulted from the expansion of Dr. Lufburrow's dental practice from one location to three. The managerial, financial and practical burdens of operating three locations proved to be untenable and led Dr. Lufburrow to close the locations in Harker Heights and Jarrell. Salado Smiles continues to operate a dental practice in Salado, Texas.

4. Dr. Lufburrow now intends to consolidate his practice in Salado operating as Howard Lufburrow, DDS, PLLC (“Lufburrow”).
5. Everbank Commercial Finance (“Everbank”) holds a perfected purchase money lien on certain equipment detailed in the UCC-1 and Equipment Finance Agreements attached as Exhibit 1.
6. At the time of filing, the Debtor valued Everbank’s collateral at \$31,500.00.
7. Everbank has filed a proof of claim in the amount of \$67,706.63.
8. The Debtor proposes to sell the collateral of Everbank to Lufburrow for \$20,000.00 plus tax of \$1,249.12, for a total of \$21,249.12 Everbank will finance the purchase at 3% interest over 48 months. Dr. Lufburrow will execute documentation required by Everbank to document the terms of the transaction and retain perfection of its lien. (The original offer to Everbank was for Lufburrow to purchase some of the equipment and for Debtor to surrender the remainder. Everbank agreed to sell all of the equipment to Lufburrow for \$20,000.00 after taking into consideration their cost in recovery and resale of used dental equipment.)
9. There will be no cash payment to the Debtor as part of this transaction.
10. Although there will be no distribution to unsecured creditors as a result of this transaction, management of the Debtor is of the opinion that this transaction will result in some payment to Everbank, will allow the patients of the Debtor to continue to receive quality dental care with a minimal interruption in service, and will allow the Debtor’s employees to maintain their employment.
11. Management of the Debtor is of the opinion that the alternative to this sale would be a foreclosure of its collateral by Everbank which would also result in no distribution to

unsecured creditors, but would also result in disruption of payment services and loss of employment by some or all of the Debtor's employees.

Respectfully submitted,

LAW OFFICE OF MICHAEL BAUMER
7600 Burnet Road
Suite 530
Austin, TX 78757
512-476-8707
Fax 512-476-8604
baumerlaw@baumerlaw.com

By: /s/Michael Baumer
Michael Baumer -01931920
Megan Baumer-01931915

CERTIFICATE OF SERVICE

I, the above signed, do hereby certify that a true and correct copy of the foregoing Motion was served via first class U.S. mail (unless otherwise indicated below) to the following parties of interest:

Salado Smiles, P.C.
1501 Stagecoach Circle
Salado, TX 76571

ARF Financial Corporation
3 Waters Park Drive, Suite
36345
San Mateo, CA 94403

Bell County Tax Assessor
P.O. Box 390
Belton, TX 76513

Can Capital Merchant Services
Inc.
2015 Vaughn Road NW
Building 500
Kennesaw, GA 30144

CIT Finnace LLC
10201 Centurion Parkway N,
#100
Jacksonville, FL 32256

Darby Dental Supply, LLC
4460 Holmes Road
Memphis, TN 38118

DDS Financial
1875 Old Alabama Rd.
Suite 1220
Roswell, GA 30076

DDSDental Lab
21 Cricket Corner Road
Amherst, NH 03031

Dental Science Dental Lab
1305 Lake Parkway, Suite 127
Lawrenceville, GA 30043

Dr. Kevin Delane
Central Texas Smiles
10801 Pickfair Drive
Austin, TX 78750

East West Bank
Attn: Arthur Ho
2090 Huntington Drive, 2nd
Floor
San marino, CA 91180

Everbank
10 Waterview Blvd.
Parsippany, NJ 07054

First Lease
1 Walnut Grove Drive Suite 300
Horsham, PA 19044

Glide Well Dental Lab
4141 Mac Arthur Blvd.
Newport Beach, CA 92660

Howard & Debra Lufburrow
1501 Stagecoach Circle
Salado, TX 76571

Internal Revenue Service
PO Box 7346
Philadelphia, PA 19101-7346

Midwest Dental
P.O. Box 4802
Wichita Falls, TX 76308

Patterson Dental
1031 Mendota Heights
Mendota Heights, MN 55120

Salvador Marrero, DDS
Marrero Dental Clinic P.C.
2002 Caribou Trail
Harker Heights, TX 76548

Scheduling Institute
4125 Old Milton Pkwy
Alpharetta, GA 30005

Texas Comptroller of Public
Accounts
Revenue Accounting Div -
Bankruptcy Sect
PO Box 12548, MC-008
Austin, TX 78711

Texas Workforce Commission
Office of Attorney General
Bankruptcy & Collection
Division
PO Box 12548, MC008
Austin, TX 78711

Tralongo, LLC
100 SW 2nd Street, 2nd floor
Miami, FL 33131

United States Attorney/IRS
601 NW Loop 410, Ste. 600
San Antonio, TX 78316-5512

Walters Cougar Plaza
Ltd./WWR LLC
9130 Jolleyville Road, Suite 175
Austin, TX 78759

Weltman, Weinberg & Reis Co.
LPA
3705 Marlane Drive
Grove City, OH 43123

Williamson County Tax
Collector
904 S. Main
Georgetown, TX 78626-5829

Via electronic notice to the following registered CMECF users:

U.S. Trustee
300 E. 8th
Austin, TX 78701

Karen E. Murray
Craddock Massey LLP
1400 Post Oak Blvd., Suite 640
Houston, TX 77002

Erin B. Shank
Erin B. Shank P.C.
1902 Austin Avenue
Waco, TX 76701

McCreary, Veselka, Bragg & Allen, PC
Lee Gordon
PO Box 1269
Round Rock, TX 78680

Molly J. Mitchell
Almanza, Blackburn & Dickie, LLP
2301 S Capital of Texas Highway
Building H
Austin, TX 78746

James O. Cure
2584 Blue Meadow Drive
Temple, TX 76502

Dated: 11/22/2016

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER (optional) CSC
B. E-MAIL CONTACT AT FILER (optional)
C. SEND ACKNOWLEDGMENT TO: (Name and Address) Corporation Service Company 801 Adlai Stevenson Drive Springfield, IL 62703 USA

FILING NUMBER: 13-0027308286
FILING DATE: 08/26/2013 05:03 PM
DOCUMENT NUMBER: 498142260001
FILED: Texas Secretary of State
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1. DEBTOR'S NAME - Provide only one Debtor name (1a or 1b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 1b, leave all of item 1 blank, check here and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

OR	1a. ORGANIZATION'S NAME SALADO SMILES, P.C.				
	1b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX	
1c. MAILING ADDRESS 477 THOMAS ARNOLD RD.		CITY SALADO	STATE TX	POSTAL CODE 76571	COUNTRY USA

2. DEBTOR'S NAME - Provide only one Debtor name (2a or 2b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 2b, leave all of item 2 blank, check here and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

OR	2a. ORGANIZATION'S NAME				
	2b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX	
2c. MAILING ADDRESS		CITY	STATE	POSTAL CODE	COUNTRY

3. SECURED PARTY'S NAME (or NAME of ASSIGNEE of ASSIGNOR SECURED PARTY) - Provide only one Secured Party name (3a or 3b)

OR	3a. ORGANIZATION'S NAME EverBank Commercial Finance, Inc.				
	3b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX	
3c. MAILING ADDRESS 10 Waterview Blvd., 2nd Floor		CITY Parsippany	STATE NJ	POSTAL CODE 07054	COUNTRY USA

4. COLLATERAL: This financing statement covers the following collateral:
 All items of personal property financed pursuant to that certain Equipment Finance Agreement dated August 26, 2013, by and between EverBank Commercial Finance, Inc. as lender and SALADO SMILES, P.C. as customer/debtor, as more specifically described below and/or in attachments and additions thereto and replacements or substitutions therefor, together with all related software (embedded therein or otherwise), , whether or not furnished by the supplier thereof; all subleases, chattel paper, and security deposits related thereto and all proceeds, including insurance proceeds, thereof. 1 CEREC AC WITH OMNICAM 2 A2260 ALLIANT CHAIR 2 UPHOLSTERY, STITCHED (DOMAIN CHAIR) 2 A6210 TRADITIONALHEAD COMPASS UNIT 2 ENLIGHTEN 'B' 6-PIN ILLUMINATION SYSTEMS W/VARIABLE VOLTAGE 2 A6760 NORTH MOUNTED VACUUM PACKAGE 2 A5100 DENTAL LIGHT-CHAIR MOUNTED 2 LIGHT POST COMPASS MOUNT 2 D2110 OPERATOR'S STOOL 2 RA24 ASSISTANT'S STOOL 1 CDR ELITE SIZE 2 SENSOR 6' 1 CDR ELITE REMOTE MODULE 1 USB REMOTE HS CABLE (2 METER) 1 NOMAD PRO 2 X-RAY SYSTEM- WHITE 1 MOJAVE DRY VAC V3 1 AIRSTAR 22 OIL FREE AIR COMPRESSOR 1 REMOTE CONTROL PANEL 2 SWITCH (24V) 1 REMOTE AIR INTAKE KIT- AIRSTAR 21/22/30 1 SOPRO LIFE CAMERA HANDPIECE 1 DOCK USB 2.0 INCLUDES ADDITIONAL ACCESSORIES AND SERVICES

5. Check only if applicable and check only one box Collateral is held in a Trust (see UCC1Ad, item 17 and Instructions) being administered by a Decedent's Personal Representative

6a. Check only if applicable and check only one box:
 Public-Finance Transaction Manufactured-Home Transaction A Debtor is a Transmitting Utility Agricultural Lien Non-UCC Filing

6b. Check only if applicable and check only one box:
 Lessee/Lessor Consignee/Consignor Seller/Buyer Bailee/Bailor Licensee/Licensor

7. ALTERNATIVE DESIGNATION (if applicable):

8. OPTIONAL FILER REFERENCE DATA:
 40985724 - 5 - Healthcare [79241118]

FILING OFFICE COPY

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER (optional) CSC
B. E-MAIL CONTACT AT FILER (optional)
C. SEND ACKNOWLEDGMENT TO: (Name and Address) Corporation Service Company 801 Adlai Stevenson Drive Springfield, IL 62703 USA

FILING NUMBER: 13-0038918053
FILING DATE: 12/12/2013 05:25 PM
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OR	1a. ORGANIZATION'S NAME SALADO SMILES, P.C.				
	1b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX	
1c. MAILING ADDRESS 477 THOMAS ARNOLD RD		CITY SALADO	STATE TX	POSTAL CODE 76571	COUNTRY USA

2. DEBTOR'S NAME - Provide only one Debtor name (2a or 2b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 2b, leave all of item 2 blank, check here and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

OR	2a. ORGANIZATION'S NAME				
	2b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX	
2c. MAILING ADDRESS		CITY	STATE	POSTAL CODE	COUNTRY

3. SECURED PARTY'S NAME (or NAME of ASSIGNEE of ASSIGNOR SECURED PARTY) - Provide only one Secured Party name (3a or 3b)

OR	3a. ORGANIZATION'S NAME EverBank Commercial Finance, Inc.				
	3b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX	
3c. MAILING ADDRESS 10 Waterview Blvd., 2nd Floor		CITY Parsippany	STATE NJ	POSTAL CODE 07054	COUNTRY USA

4. COLLATERAL: This financing statement covers the following collateral:
 All items of personal property financed pursuant to that certain Equipment Finance Agreement dated DECEMBER 11, 2013, by and between EverBank Commercial Finance, Inc. as lender and SALADO SMILES, P.C. as customer/debtor, as more specifically described below and/or in attachments and additions thereto and replacements or substitutions therefor, together with all related software (embedded therein or otherwise), whether or not furnished by the supplier thereof; all subleases, chattel paper, and security deposits related thereto and all proceeds, including insurance proceeds, thereof. 1 SIRONA ORTHOPHOS XG5 X-RAY 2 SCHICK CDR ELITE SIZE 2 SENSORS 6' 1 SCHICK CDR ELITE SIZE 1 SENSOR 6' 1 SCHICK CDR REMOTE MODULE 4 USB REMOTE HS CABLES (2 METER) INCLUDES ADDITIONAL ACCESSORIES AND SERVICES

5. Check only if applicable and check only one box: Collateral is held in a Trust (see UCC1Ad, item 17 and Instructions) being administered by a Decedent's Personal Representative

6a. Check only if applicable and check only one box:
 Public-Finance Transaction Manufactured-Home Transaction A Debtor is a Transmitting Utility

6b. Check only if applicable and check only one box:
 Agricultural Lien Non-UCC Filing

7. ALTERNATIVE DESIGNATION (if applicable): Lessee/Lessor Consignee/Consignor Seller/Buyer Bailee/Bailor Licensee/Licensor

8. OPTIONAL FILER REFERENCE DATA:
 41017705 - 5 - Healthcare [82530497]

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EQUIPMENT FINANCE AGREEMENT



Please fax completed agreement to 1-866-329-8795
 Questions or need assistance? Call 1-866-550-8795

This Agreement has been written in "Plain English." When we use the words "You" and "Your" in this Agreement, we mean the Customer indicated below. When we use the words "We", "Us", and "Our" in this Agreement, We mean EverBank Commercial Finance, Inc. Our address is 10 Waterview Blvd, Parsippany, New Jersey 07054.

CUSTOMER INFORMATION	Customer Name SALADO SMILES, P.C.		Agreement Number 40986724
	Billing Address 477 THOMAS ARNOLD RD, SALADO, TX 76571		Federal Tax ID Number 14-4036096
	Equipment Location (if different from above) 477 THOMAS ARNOLD RD, SALADO, TX, 76571		Customer Phone Number (254) 947-8067
SUPPLIER INFORMATION	Supplier Name ("SUPPLIER") and Billing Address 1031 MENDOTA HEIGHTS ROAD, SAINT PAUL, MN 55120		Supplier Phone Number (800) 328-5536
EQUIPMENT DESCRIPTION	Equipment Description		Quantity
	SEE SUPPLEMENTAL DESCRIPTION OF EQUIPMENT		Serial Number
TERM AND PAYMENT	Initial Term (Months): 84	Payment: 3 @ \$0.00 81 @ \$1,147.57	You agree to pay at the time You sign this Lease: A) Total Number of Advances: 1 B) Total Advance Payment: \$50.00 C) One-time Documentation Fee: \$499.00 D) Total Due: \$499.00
			Plus Applicable Tax

INSURANCE & TAXES
 You are required to provide and maintain insurance related to the Equipment, and to file appropriate tax returns and pay any sales property, use, and other taxes related to this Agreement or the Equipment. (See Sections 4 and 6 on page 2 of this Agreement.)

TERMS AND CONDITIONS
 BY SIGNING THIS AGREEMENT YOU ACKNOWLEDGE THAT YOU: (i) HAVE READ AND UNDERSTAND THE TERMS AND CONDITIONS ON THE FRONT AND SECOND PAGE OF THIS AGREEMENT, (ii) AGREE THAT YOU CANNOT TERMINATE OR CANCEL THIS AGREEMENT, YOU HAVE AN UNCONDITIONAL OBLIGATION TO MAKE ALL PAYMENTS DUE UNDER THIS AGREEMENT, AND YOU CANNOT WITHHOLD, SETOFF OR REDUCE SUCH PAYMENTS FOR ANY REASON, (iii) WILL USE THE EQUIPMENT ONLY FOR BUSINESS PURPOSES, (iv) WARRANT THAT THE PERSON SIGNING THIS AGREEMENT FOR YOU HAS THE AUTHORITY TO DO SO, (v) CONFIRM THAT YOU DECIDED TO ENTER INTO THIS AGREEMENT RATHER THAN PURCHASE THE EQUIPMENT FOR THE TOTAL CASH PRICE, AND (vi) AGREE THAT THIS AGREEMENT WILL BE GOVERNED BY THE LAWS OF THE STATE OF NEW JERSEY AND YOU CONSENT TO THE JURISDICTION OF ANY LOCAL, STATE OR FEDERAL COURT LOCATED WITHIN NEW JERSEY. YOU AND WE EXPRESSLY WAIVE ANY RIGHTS TO A TRIAL BY JURY. For security purposes and to help the government fight terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each individual or commercial entity that enters into a customer relationship with the financial institutions. For this reason, We may request the following identifying information: name, address, date of birth. We may also ask other questions or request other documents meant to verify Your individual or commercial identity.

EVERBANK COMMERCIAL FINANCE, INC.		SALADO SMILES, P.C.	
Owner <i>[Signature]</i>	Customer X	Authorized Signature <i>[Signature]</i>	Date 8/26/2013
Authorized Signature <i>[Signature]</i>	Asya Haley, Account Manager	Authorized Signature HOWARD LUFBURROW, PRESIDENT	Date Date
Print Name and Title	Date	Print Name and Title	Date

PERSONAL GUARANTY
 THIS PERSONAL GUARANTY CREATES SPECIFIC LEGAL OBLIGATIONS. When we use the words You and Your in this Personal Guaranty only, we mean the Personal Guarantor(s) indicated below. When we use the words We, Us and Our in this Personal Guaranty, We mean EverBank Commercial Finance, Inc. In consideration of Our entering into the Equipment Finance Agreement identified above ("Agreement"), You unconditionally and irrevocably guarantee to Us, Our successors and assigns the prompt payment and performance of all obligations of the Customer identified above ("Customer") under the Agreement. You agree that this is a guaranty of payment and not of collection, and that We may proceed directly against You without first proceeding against the Customer or against the equipment covered by the Agreement. You waive all defenses and notices, including those of protest, presentment and demand. You agree that We may renew, extend or otherwise modify the terms of the Agreement and You will be bound by such changes. If the Customer defaults under the Agreement, You will immediately perform all obligations of the Customer under the Agreement, including, but not limited to, paying all amounts due under the Agreement. You will pay to Us all expenses (including attorneys' fees) incurred by Us in enforcing Our rights against You or the Customer. This is a continuing guaranty which will not be discharged or affected by Your death and will bind Your heirs and personal representatives. You waive any rights to seek repayment from the Customer in the event You must pay Us. If more than one personal guarantor has signed this Personal Guaranty, each of You agrees that Your liability is joint and several. You authorize Us or any of Our assignees to obtain credit bureau reports regarding Your personal credit, and make other credit inquiries that We determine are necessary. THIS PERSONAL GUARANTY IS GOVERNED BY THE LAWS OF THE STATE OF NEW JERSEY. YOU CONSENT TO THE JURISDICTION OF ANY LOCAL, STATE, OR FEDERAL COURT LOCATED WITHIN NEW JERSEY. YOU EXPRESSLY WAIVE ANY RIGHT TO A TRIAL BY JURY.

X			
Personal Guarantor (no title) HOWARD LUFBURROW	Personal Guarantor (no title)	Print Name	Date
Print Name	Date	Print Name	Date
477 THOMAS ARNOLD RD SALADO TX 76571		Home Street Address	
Home Street Address		Home Street Address	
Social Security Number	Phone Number	Social Security Number	Phone Number

ADDITIONAL TERMS ON REVERSE SIDE