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Attorneys for Debtor and Debtor in Possession

UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA
LOS ANGELES DIVISION

In re

WOOTON GROUP, LLC

Debtor and
Debtor in Possession

Case No. 2:18-bk-11727-NB

Chapter 11

**NOTICE OF MOTION AND MOTION BY
DEBTOR: (1) TO APPROVE SALE OF
REAL PROPERTY (LOCATED AT 3001
Navone Road, Stockton, CA 95215);
(2) FOR AUTHORITY TO SELL REAL
PROPERTY FREE AND CLEAR OF
ALL LIENS, CLAIMS AND INTERESTS;
(3) FOR DETERMINATION OF THE
BUYER TO BE A "GOOD FAITH"
PURCHASER WITHIN THE MEANING
OF BANKRUPTCY CODE § 363(M)
PROTECTION; (4) AUTHORIZE
PAYMENT OF COMMISSIONS AND
OTHER SALE-RELATED EXPENSES;
AND (5) WAIVER OF 14-DAY STAY
PERIODS SET FORTH IN
BANKRUPTCY RULE 6004(H);
MEMORANDUM OF POINTS AND
AUTHORITIES IN SUPPORT
THEREOF; DECLARATION OF MARK
SLOTKIN; DECLARATION OF TIM
MUSTIN**

Date: May 22, 2018
Time: 1:00 p.m.
Ctrm: 1545

1 **TO THE HONORABLE NEIL BASON, UNITED STATES BANKRUPTCY JUDGE; THE**
2 **OFFICE OF THE UNITED STATES TRUSTEE; ALL CREDITORS AND PARTIES IN**
3 **INTEREST AND PERSONS REQUESTING SPECIAL NOTICE:**

4 **PLEASE TAKE NOTICE** that Wooton Group, LLC ("**Debtor**"), the chapter 11
5 debtor and debtor-in-possession in the above-captioned bankruptcy case, will and hereby
6 does respectfully move the Court for an order: (1) approving the sale of certain real
7 property as described herein; (2) authorizing the sale on an as-is basis, without
8 representations or warranty (other than provided in the attached transactional documents
9 (collectively, the "**Sale Agreement**")), of the commercial real property located at 3001
10 Navone Road, Stockton, CA 95215 (the "**Stockton Property**") per the attached Sale
11 Agreement; (3) determining the buyer to be a "good faith" purchaser within the meaning of
12 Bankruptcy code Section 363(m); (4) determining and ordering that the sale is free and
13 clear of all liens, claims, adverse claims of ownership and other interests pursuant to
14 363(f); 5) approving the payment of allowed secured claims, the commission to the broker
15 and other sale-related and agreed-upon expenses; and (6) waiving the 14 day stay under
16 FRBP 6004(h).

17 The motion is made pursuant to Bankruptcy Code Section 363, Federal Rules of
18 Bankruptcy Procedure 6004 and 2002, and the Local Rules of Bankruptcy Procedure
19 (LBR) 6004-1(c), and on grounds that the Debtor or its agent negotiated the highest price
20 and best terms reasonably available; and that the proposed sale is in the best interests of
21 the estate.

22 In summary, the material terms of the motion and proposed sale are as follows:

- 23 a. The Debtor shall sell and Sovena USA ("**Buyer**") shall purchase the Stockton
24 Property;
25 b. The Buyer shall pay \$9,250,000 for the Stockton Property ("**Purchase Price**"), with
26 a \$150,000 initial deposit, and the remainder (\$9,100,000) to be paid by close of
27 escrow;
28 c. Escrow fees will be paid 50/50 by Debtor and Buyer;

- d. Recording fees and any documentary transfer taxes will be paid by Buyer;
- e. Title insurance will be paid by Debtor;
- f. Buyer shall have 35-45 days (depending on contingencies) from the date of Sale Agreement to satisfy contingencies as described in the Sale Agreement;
- g. Except as set forth herein, the sale shall be free and clear of all liens, claims, encumbrances, adverse claims of ownership, and other interests (collectively "**Encumbrances**"), other than those permitted by Buyer, with such Encumbrances to attach to the net proceeds of the sale with the same priority as they existed with respect to the Stockton Property;
- h. Debtor will pay the Brokerage Fee (the "**Brokerage Fee**") of 3.24% to be divided 50/50 between the Buyer's and Seller's brokers, as set forth in Sale Agreement and certain other costs related to closing to be paid through escrow;
- i. The first deed of trust against the Stockton Property owed to secured lender Transamerica Life Insurance, and its servicing agent Aegon USA Realty Advisors, LLC Company ("**Aegon**") in the amount of \$2,799,099.15 (plus accrued interest since February 14, 2018) shall be paid through escrow from the sale proceeds;
- j. The second deed of trust against the Stockton Property owed to secured lender Citizens Business Bank ("**CBB**") in the amount of \$1,977,289.92 (plus accrued interest since February 23, 2018) shall be paid through escrow from the sale proceeds;
- k. Secured real property taxes against the Stockton Property, estimated at \$37,113.81 shall be paid through escrow from the sale proceeds;
- l. The disputed claims of Aegon (alleged 3rd deed of trust) Tal Hassid and Southwest Guaranty Judgment Lien are disputed by the Debtor and will not be paid through escrow unless and until the disputes are resolved prior to close of escrow; rather, those disputed liens will attach to the proceeds of sale pending Court determination of their validity and amount;

- m. The remainder of the proceeds after payment upon closing of secured claims, commissions, closing costs, segregated funds for disputed secured claims, and applicable real estate taxes shall be deposited in Debtor's DIP account;
- n. Upon Court approval of these terms, Debtor and the Buyer shall execute any and all documents necessary to effectuate the sale of the Stockton Property to the Buyer;
- o. Upon approval of the sale, Debtor will lodge an order approving this Motion, and which order shall contain, among other things, a finding that the Buyer is a "good faith purchaser" and entitled to the protections of Bankruptcy Code § 363(m);
- p. Any 14-day stay as to the effectiveness of the order approving this sale shall be waived.

The Motion is based upon this Notice, the accompanying Memorandum of Points and Authorities and Declarations attached to the Motion, all records and files of the Court in this case or of which the Court may take judicial notice, and such other evidence and argument that may be presented at the hearing.

PLEASE TAKE FURTHER NOTICE that the hearing to approve this Motion will be held on May 22, 2018 at 1:00 p.m. before the Honorable Neil W. Bason, U.S. Bankruptcy Court Judge, in Courtroom "1545" of the U.S. Bankruptcy Court located at 255 E. Temple St., Los Angeles, CA 90012.

PLEASE TAKE FURTHER NOTICE that per Local Bankruptcy Rule (LBR) 9013-1(f), any party objecting to the relief sought in the Motion must file written objections with the Bankruptcy Court and must serve such objections upon counsel listed above and the Office of the United States Trustee, at the Office of the U.S. Trustee, 915 Wilshire Blvd., Suite 1850, Los Angeles, CA 90017, not later than 14 days before the date set for hearing. Failure to file and serve a timely written opposition may be deemed to constitute consent to the relief requested in the Motion, per LBR 9013-1(h).

1 Dated: May 1, 2018

LESLIE COHEN LAW, PC

2
3 By: /s/ Leslie A. Cohen

4 Leslie A. Cohen

Attorneys for Debtor and Debtor In Possession

MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

Wooton Group, LLC (“**Debtor**”), the chapter 11 debtor and debtor-in-possession in the above-captioned bankruptcy case respectfully seeks an order: (1) approving the sale of certain real property as described herein; (2) authorizing the sale on an as-is basis, without representations or warranty, of the commercial real property located at 3001 Navone Road, Stockton, CA 95215 (the “**Stockton Property**”) per the attached Sale Agreement documents; (3) determining the buyer to be a “good faith” purchaser within the meaning of Bankruptcy Code¹ Section 363(m); (4) determining and ordering that the sale is free and clear of all Encumbrances; (5) approving the payment of allowed secured claims, the commission to the residential broker and other sale-related and agreed-upon expenses; and (6) waiving the 14 day stay under FRBP 6004(h).

Debtor believes in its sound business judgment that the proposed sale is in the best interest of the estate. The proposed sale is an arms-length sale to a third party, good-faith purchaser for fair value. Debtor’s real estate broker negotiated the highest price and best terms and Debtor submits that the proposed sale is in the best interests of the estate as it is projected to generate proceeds sufficient to pay secured lenders and net proceeds to help fund a plan of reorganization. Further, the Debtor submits that the sale need not be subject to overbid, as the Debtor has marketed the Stockton Property pre-petition and has not received any offers of equal or greater value to the estate, and the Purchase Price far exceeds the estimated value of the Stockton Property asserted in secured creditors’ previously filed relief from stay motions.

II. FACTUAL BACKGROUND

The Debtor is a California limited liability corporation that owns and manages two (2) parcels of commercial real estate, located at 2945-2965 S. Angus Avenue, Fresno, CA

¹ Unless otherwise stated, all references to “Code” or “Bankruptcy Code” or to sections thereof shall refer to 11 U.S.C. §§ 101 *et seq.*

1 93725 (the “**Fresno Property**”), and 3001 Navone Road, Stockton, CA 95215 (the
2 “**Stockton Property**,” with the Fresno Property, the “**Properties**”). The Debtor
3 commenced the instant case in good faith, with the intention to establish a plan of
4 reorganization to timely pay its creditors in a manner to be overseen by the Court.

5 On February 16, 2018, the Debtor filed a voluntary petition for relief under chapter
6 11 of title 11 of the United States Bankruptcy Code (the “**Petition Date**”). Debtor
7 continues to manage its estate as debtor-in-possession pursuant to Bankruptcy Code
8 Sections 1107 and 1108.

9 On February 27, 2018, Citizens Business Bank (“**CBB**”) filed a Motion for Relief
10 from the Automatic Stay [Docket No. 16], which was resolved by stipulation filed March
11 19, 2018 [Docket No. 47] (the “**RFS Stipulation**”). Per the RFS Stipulation, CBB was
12 granted relief from stay, but agreed not to enforce its debt so long as the Debtor made
13 monthly payments and the Debtor obtained Court approval of a purchase agreement for
14 the Stockton Property by May 15, 2018. The Debtor has made the required payments
15 under the RFS Stipulation. CBB and Transamerica Life Insurance, and its servicing agent
16 Aegon USA Realty Advisors, LLC Company (“**Aegon**”) have agreed to extend the
17 deadline to obtain Court approval of this sale through May 22, 2018.

18 **III. EVENTS LEADING TO SALE**

19 The Debtor’s assets consisted primarily of the Properties. In addition to its secured
20 liabilities, the Debtor currently has pre-petition liabilities for various business debts, as
21 disclosed in its Schedules [Docket No. 60].

22 The Debtor believes, in its sound business judgment, that the proposed sale is in
23 the best interest of the estate. The Debtor has agreed, subject to this Court’s approval, to
24 sell the Stockton Property to the Buyer for the sum of \$9,250,000 as specified in the
25 Standard Offer, Agreement and Escrow Instructions for Purchase of Real Estate (“**Sale**
26 **Agreement**”) attached hereto as **Exhibit “A”** and incorporated fully herein by reference.
27 The Debtors believes that this price represents a good value for the estate that is the
28 result of pre- and post-petition marketing with the brokers assistance, and the sale was

1 negotiated by professionals who specializes in such sales and obtaining the highest
2 possible price from viable buyers.

3 **IV. SUMMARY OF PROPOSED SALE**

4 Per the Sale Agreement, the terms of the sale are generally as follows:

- 5 a. The Debtor shall sell and Sovena USA ("**Buyer**") shall purchase the Stockton
6 Property;
- 7 b. The Buyer shall pay \$ 9,250,000 for the Stockton Property ("**Purchase Price**"), with
8 a \$150,000 initial deposit, and the remainder (\$9,100,000) to be paid by close of
9 escrow;
- 10 c. Escrow fees will be paid 50/50 by Debtor and Buyer;
- 11 d. Recording fees and any documentary transfer taxes will be paid by Buyer;
- 12 e. Title insurance will be paid by Debtor;
- 13 f. Buyer shall have 35-45 days (depending on contingencies) from the date of Sale
14 Agreement to satisfy contingencies as described in the Sale Agreement;
- 15 g. Except as set forth herein, the sale shall be free and clear of all liens, claims,
16 encumbrances, adverse claims of ownership, and other interests (collectively
17 "**Encumbrances**"), other than those permitted by Buyer, with such Encumbrances
18 to attach to the net proceeds of the sale with the same priority as they existed with
19 respect to the Stockton Property;
- 20 h. Debtor will pay the Brokerage Fee (the "**Brokerage Fee**") of 3.24% to be divided
21 50/50 between the Buyer's and Seller's brokers, as set forth in Sale Agreement and
22 certain other costs related to closing to be paid through escrow;
- 23 i. The first deed of trust against the Stockton Property owed to secured lender
24 Transamerica Life Insurance, and its servicing agent Aegon USA Realty Advisors,
25 LLC Company ("**Aegon**") in the amount of \$2,799,099.15 (plus accrued interest
26 since February 14, 2018) shall be paid through escrow from the sale proceeds;
- 27 j. The second deed of trust against the Stockton Property owed to secured lender
28 Citizens Business Bank ("**CBB**") in the amount of \$1,977,289.92 (plus accrued

- 1 interest since February 23, 2018) shall be paid through escrow from the sale
2 proceeds;
- 3 k. Secured real property taxes against the Stockton Property, estimated at
4 \$37,113.81 shall be paid through escrow from the sale proceeds;
- 5 l. The disputed claims of Aegon (alleged 3rd deed of trust) Tal Hassid and Southwest
6 Guaranty Judgment Lien are disputed by the Debtor and will not be paid through
7 escrow unless and until the disputes are resolved prior to close of escrow; rather,
8 those disputed liens will attach to the proceeds of sale pending Court determination
9 of their validity and amount;
- 10 m. The remainder of the proceeds after payment upon closing of secured claims,
11 segregated funds for disputed secured claims, commissions, closing costs and
12 applicable real estate taxes to be deposited in Debtor's DIP account;
- 13 n. Upon Court approval of these terms, Debtor and the Buyer shall execute any and
14 all documents necessary to effectuate the sale of the Stockton Property to the
15 Buyer;
- 16 o. Upon approval of the sale, Debtor will lodge an order approving this Motion, and
17 which order shall contain, among other things, a finding that the Buyer is a "good
18 faith purchaser" and entitled to the protections of Bankruptcy Code § 363(m);
- 19 p. Any 14-day stay as to the sale shall be waived.

20 **V. DISCUSSION**

21 **a. The Court Should Authorize The Debtor To Sell The Stockton Property**
22 **Free And Clear Of Liens, Claims, And Encumbrances And Pursuant To**
23 **The Terms Of The Sale Agreement**

24 Bankruptcy Code Section 363(b)(1) authorizes the trustee or debtor in possession,
25 after notice and a hearing, to use, sell or lease property of the estate outside the ordinary
26 course of business. One commentator observes that:

27 [i]n determining whether to approve a proposed sale under section 363,
28 courts generally apply standard that represent essentially a business
judgment test. Some courts have described the standard as one of "good

1 faith” or of whether the transaction is “fair and equitable.” Others question
2 whether the sale is “in the best interest of the estate.” (Citations omitted.) 3
COLLIER ON BANKRUPTCY ¶ 363.02[1][f].

3 A debtor or trustee's business judgment in the use, sale, or lease of property
4 outside of the ordinary course of business is subject to great judicial deference. See, e.g.,
5 In re Moore, 110 B.R. 924, 928 (Bankr. C.D. Cal. 1990) (“The choice of which type of
6 action whether it be acceptance of the offer, a counteroffer, negotiation, open bidding, or
7 bringing a formal motion for abandonment) belongs to the trustee within the sound
8 exercise of the trustee's business judgment so long as the trustee fulfills his statutory
9 duties.”). A sale of estate assets should be authorized pursuant to section 363(b) of the
10 Bankruptcy Code if a sound business reason exists for doing so. See, e.g., Simantob v.
11 Claims Prosecutor, L.L.C. (In re Lahijani), 325 B.R. 282, 288-89 (B.A.P. 9th Cir. 2005)
12 (“The court's obligation in § 363(b) sales is to assure that optimal value is realized by the
13 estate under the circumstances. . . . Ordinarily, the position of the trustee is afforded
14 deference, particularly where business judgment is entailed in the analysis or where there
15 is no objection.”).

16 The proposed sale to the Buyer passes muster under all of the articulated
17 standards. The Debtor has hired a Broker who has secured the highest possible price.
18 The sale of the Stockton Property will pay secured creditors and make funds available for
19 potential plan disbursements. The Debtor believes in good faith, as supported by the
20 attached declaration of Mark Slotkin (the “**Slotkin Declaration**”), that the transaction is
21 more than “fair and equitable” to the creditors of this estate, and thus in the best interest of
22 the estate.

23 In light of the good price secured and the fact that the sale price is anticipated to
24 generate sufficient proceeds to satisfy secured lenders claims and help fund a Plan after
25 certain deductions of the sale proceeds, the Court should approve the proposed sale of
26 the Stockton Property pursuant to Section 363(b)(1) free and clear of Encumbrances, and
27 provide that any liens and claims attach to sale proceeds, with approval of related sale
28 closing costs and broker commission.

1 **b. Overbids**

2 The Slotkin Declaration also supports that no “over-bidders” have contacted the
3 Debtor with offers of equal or greater value to the estate, that the current bid is the best
4 possible sale price of Stockton Property. The Debtor believes in its sound business
5 judgment, the sale to be more than fair and equitable, for the best possible price, and that
6 there are no viable alternative purchasers. The buyer is an arms-length, good faith
7 purchaser for fair value, and has no connections with the Debtor.

8 Pre-petition marketing of the Stockton Property has been sufficient to ensure that
9 estate value is being maximized through the proposed sale. Pre-petition, the Debtor
10 through its broker exposed the Stockton Property for sale to all known qualified buyers.
11 Here, the Purchase Price of the Stockton Property far exceeds the estimated value that
12 CBB alleged in its motion for relief from stay. The Debtor therefore respectfully submits
13 that the sale should be approved without a separate and alternative overbid process
14 taking place, and that in light of the terms of sale and the nature of the proposed Buyer,
15 the Debtor respectfully submits that the Court should approve the proposed sale of
16 Stockton Property.

17 **c. The Court Should Approve the Sale Fee and Clear Pursuant to 11**
18 **U.S.C. § 363(f)**

19 The liens of Tal Hassid, Southwest Guaranty and Aegon 3rd are in bona fide
20 dispute so a sale free and clear is warranted under section 363(f).

21 **d. The Court Should Find That The Buyer Is A Good Faith Purchaser**
22 **Within The Meaning Of 11 U.S.C. § 363(m)**

23 Bankruptcy Code Section 363(m) provides that a purchaser of property of the
24 estate is protected from the effects of a reversal on appeal of the authorization to sell or
25 lease as long as the purchaser acted in good faith and the appellant failed to obtain a stay
26 of sale. 3 COLLIER ON BANKRUPTCY ¶ 363.11. The Code does not define “good faith.”
27 Courts have found that a good faith purchase is “one who buys property...for value,
28 without knowledge of adverse claims,” and that lack of good faith is typically shown by

1 “fraud, collusion between the purchaser and other bidders or the trustee, or an attempt to
2 take grossly unfair advantage of other bidders.” Id.

3 The Stockton Property has been listed by a professional real estate broker. The
4 Buyer is an arms-length purchaser, is not an insider of the Debtor, and the offer was
5 negotiated in good faith. There is no hint of any fraud or collusion or other absence of
6 good faith. The Debtor has not received any offers that would result in greater value to
7 the estate than the Buyer’s offer. In Debtor’s sound business judgment, the offer will
8 maximize value to the estate. The proceeds generated will go to the estate and benefit
9 creditors of the estate. Debtor shall also file a declaration of the Buyer confirming the
10 arms-length nature of the sale, prior to the hearing thereon. Accordingly, the Court should
11 find the ultimate Buyer to be a “Good Faith Purchaser” under Section 363(m).

12 **e. Approval And Payment Of The Debtor’s Broker’s Commission Is**
13 **Appropriate Under The Circumstances**

14 The Debtor employed Broker pre-petition and an application to employ is pending
15 Court approval. The Broker fully marketed and listed the Stockton Property and
16 negotiated the Sale Agreement. Other than serving as the real estate broker for the
17 Debtor and the Buyer, the Broker has no connection with the Debtor, or to Debtor’s
18 knowledge with any other party in interest, their respective attorneys and accountants, the
19 United States Trustee, or any person employed in the office of the United States Trustee.
20 To the best of the Debtor’s knowledge, and as set forth in the Broker’s declaration, Broker
21 has no interest adverse to the Debtor or the chapter 11 estate. The Debtor is informed
22 and believes that Broker has no pre-petition claims against the bankruptcy estate. The
23 Debtor is informed and believes that Broker and individual broker Tim Mustin are
24 disinterested as that term is defined in 11 U.S.C. section 101(14). And, the Debtor is
25 informed and believes that the listing agreement was negotiated in good faith and at arm’s
26 length, is fair, equitable, and is in the best interest of the estate. Accordingly, the Debtor
27
28

1 requests that the Court approve the payment of the 1.62% commission² to the Broker as
2 contemplated in the employment application and the Sale Agreement from the sale
3 proceeds, without a separate application and hearings.

4 **f. The Debtor Requests That The Court Waive The Fourteen-Day Waiting**
5 **Periods Set Forth In Bankruptcy Rule 6004(h)**

6 To ensure a prompt and efficient closing and permit the earliest possible filing of a
7 plan, and given the adequate notice of this motion (proof of service attached), the Debtor
8 also requests that the stay provided by FRBP 6004(h) be waived and no fourteen (14) day
9 stay be in effect after entry of the order granting this Motion.

10 **VI. CONCLUSION**

11 As set forth more fully above, and for the reasons herein, the Debtor respectfully
12 requests that the Court enter an order: (1) approving the sale of certain real property as
13 described herein; (2) authorizing the sale on an as-is basis, without representations or
14 warranty, of the Stockton Property per the attached Sale Agreement; (3) determining the
15 buyer to be a "good faith" purchaser within the meaning of Bankruptcy code Section
16 363(m); (4) determining and ordering that the sale is free and clear of all liens, claims,
17 adverse claims of ownership and other interests pursuant to § 363(f); (5) approving the
18 payment of allowed secured claims, the commission to the broker and other sale-related
19 and agreed-upon expenses; (6) waiving the 14 day stay under FRBP 6004(h); and (7)
20 granting any other relief the Court shall deem just and proper under the circumstances.

21 RESPECTFULLY SUBMITTED,

22 Dated: May 1, 2018

LESLIE COHEN LAW, PC

23
24 /s/ Leslie A. Cohen

25 Leslie A. Cohen
26 Attorneys for Debtor and Debtor in
Possession

27 ² Total Brokerage Fee for the proposed sale will be 3.24% of the Purchase Price, divided 50/50 between
28 Debtor's and Seller's brokers.

DECLARATION OF MARK SLOTKIN

I, Mark Slotkin, hereby declare as follows:

1. I am over 18 years of age. I am the Managing Member of Wooton Group, LLC, the Debtor and Debtor-in-Possession (the “**Debtor**”) in the above-captioned bankruptcy case. Unless otherwise stated, I have personal knowledge or information of the facts set forth herein and, if called as a witness, could and would testify competently thereto.

Where statements are made upon information and belief, I believe them to be true and correct.

2. I make this declaration in support of the above *Motion By Debtor: (1) To Approve Sale Of Real Property (Located at 3001 Navone Road, Stockton, CA 95215); (2) For Authority To Sell Real Property Free And Clear Of All Liens, Claims And Interests; (3) For Determination Of The Buyer To Be A “Good Faith” Purchaser Within The Meaning Of Bankruptcy Code § 363(M) Protection; (4) Authorize Payment Of Commissions And Other Sale-Related Expenses; And (5) Waiver Of 14-Day Stay Periods Set Forth In Bankruptcy Rules 6004(H) And 6006(D) (“**Motion**”)*. Where capitalized terms herein are undefined, they shall have the same meaning as in the Motion.

3. By the Motion, the Debtor is seeking an order: : (1) approving the sale of certain real property as described herein; (2) authorizing the sale on an as-is basis, without representations or warranty, of the Stockton Property per the attached Sale Agreement; (3) determining the buyer to be a “good faith” purchaser within the meaning of Bankruptcy code Section 363(m); (4) determining and ordering that the sale is free and clear of all liens, claims, adverse claims of ownership and other interests pursuant to § 363(f); (5) approving the payment of allowed secured claims, the commission to the broker and other sale-related and agreed-upon expenses; (6) waiving the 14 day stay under FRBP 6004(h); and (7) granting any other relief the Court shall deem just and proper under the circumstances.

4. The Debtor is a California limited liability corporation that owns and manages two (2) parcels of commercial real estate, located at 2945-2965 S. Angus Avenue, Fresno,

1 CA 93725 (the “Fresno Property”), and 3001 Navone Road, Stockton, CA 95215 (the
2 “Stockton Property,” with the Fresno Property, the “Properties”). The Debtor commenced
3 the instant case in good faith, with the intention to establish a plan of reorganization to
4 timely pay its creditors in a manner to be overseen by the Court.

5 5. On February 16, 2018, the Debtor filed a voluntary petition for relief under
6 chapter 11 of title 11 of the United States Bankruptcy Code (the “Petition Date”). Debtor
7 continues to manage its estate as debtor-in-possession pursuant to Bankruptcy Code
8 Sections 1107 and 1108.

9 6. On February 27, 2018, Citizens Business Bank (“**CBB**”) filed a Motion for Relief
10 from the Automatic Stay [Docket No. 16], which was resolved by stipulation filed March
11 19, 2018 [Docket No. 47] (the “**RFS Stipulation**”). Per the RFS Stipulation, CBB was
12 granted relief from stay, but agreed not to enforce its debt so long as the Debtor made
13 monthly payments and the Debtor obtained Court approval of a purchase agreement for
14 the Stockton Property by May 15, 2018. The Debtor has made the required payments
15 under the RFS Stipulation. CBB and Transamerica Life Insurance, and its servicing agent
16 Aegon USA Realty Advisors, LLC Company (“**Aegon**”) have agreed to extend the
17 deadline to obtain Court approval of this sale through May 22, 2018.

18 7. A notice and application to employ Jones Lang LaSalle Brokerage Inc. as real
19 estate broker (“**Broker**”) was filed on April 5, 2018. See Docket No. 81. No objections
20 were filed to the application and an order approving the employment application has been
21 lodged.

22 8. In the Debtor’s sound business judgment, that the proposed sale is in the best
23 interest of the estate. The Debtor has agreed, subject to this Court’s approval, to sell the
24 Stockton Property to the Buyer for the sum of \$9,250,000 as specified in the sale
25 agreement styled as that *Standard Offer, Agreement and Escrow Instructions For*
26 *Purchase of Real Estate* (the ““**Sale Agreement**”), a true and correct copy of which is
27 attached hereto as **Exhibit “A”** and incorporated fully herein by reference. I believe that
28 this price represents a good value for the estate in that it is the result of the effective

1 marketing/listing and negotiation by the Broker, a professional who specializes in such
2 sales and obtaining the highest possible price from viable buyers.

3 9. The Debtor hired a Broker who has secured the highest possible price. The
4 sale of the Stockton Property will pay secured creditors and make funds available for
5 potential plan disbursements. I believe in good faith that the transaction is more than “fair
6 and equitable” to the creditors of this estate, and thus in the best interest of the estate.


7 10. No “over-bidders” with offers of equal or greater value to the estate have
8 contacted me or the Broker, and I believe that the current bid is the best possible sale
9 price of Stockton Property.

10 11. The Debtor employed Broker pre-petition and an application to employ is
11 pending Court approval. The Broker fully marketed and listed the Stockton Property and
12 negotiated the Sale Agreement. Other than serving as the real estate broker for the
13 Debtor and the Buyer, the Broker has no connection with the Debtor, or to Debtor’s
14 knowledge with any other party in interest, their respective attorneys and accountants, the
15 United States Trustee, or any person employed in the office of the United States Trustee.
16 To the best of the Debtor’s knowledge, Broker has no interest adverse to the Debtor or the
17 chapter 11 estate. The Debtor is informed and believes that Broker has no pre-petition
18 claims against the bankruptcy estate. The Debtor is informed and believes that Broker
19 and individual broker Tim Mustin are disinterested as that term is defined in 11 U.S.C.
20 section 101(14). And, the Debtor is informed and believes that the listing agreement was
21 negotiated in good faith and at arm’s length, is fair, equitable, and is in the best interest of
22 the estate. Accordingly, the Debtor requests that the Court approve the payment of the
23 1.62% commission³ to the Broker as contemplated in the employment application and the
24 Sale Agreement from the sale proceeds, without a separate application and hearings.

25
26 _____
27 ³ Total Brokerage Fee for the proposed sale will be 3.24% of the Purchase Price, divided 50/50 between
28 Debtor’s and Seller’s brokers.

1 I declare under penalty of perjury under the laws of the United States that the
2 foregoing is true and correct.

3 Executed on this 1st day of May 2018 at Los Angeles, California.
4

5 
6 _____
7 Mark Slotkin
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DECLARATION OF TIM MUSTIN

I, Tim Mustin, hereby declare as follows:

1. I am over 18 years of age. I am a licensed broker and vice president of Jones Lang LaSalle Brokerage, Inc. ("**Broker**"), the broker for the Debtor and the Buyer in the proposed sale. Unless otherwise stated, I have personal knowledge or information of the facts set forth herein and, if called as a witness, could and would testify competently thereto. Where statements are made upon information and belief, I believe them to be true and correct.

2. I make this declaration in support of the above *Motion By Debtor: (1) To Approve Sale Of Real Property (Located at 3001 Navone Road, Stockton, CA 95215); (2) For Authority To Sell Real Property Free And Clear Of All Liens, Claims And Interests; (3) For Determination Of The Buyer To Be A "Good Faith" Purchaser Within The Meaning Of Bankruptcy Code § 363(M) Protection; (4) Authorize Payment Of Commissions And Other Sale-Related Expenses; And (5) Waiver Of 14-Day Stay Periods Set Forth In Bankruptcy Rules 6004(H) And 6006(D) ("Motion")*. Where capitalized terms herein are undefined, they shall have the same meaning as in the Motion.

3. Per the Sale Agreement documentation (attached hereto) with the Debtor, Buyer is proposing to purchase the Stockton Property on the terms described in the Sale Agreement.

4. The Stockton Property has been listed by Broker, a professional real estate broker. Buyer is an arms-length purchaser, is not an insider of the Debtor, and the offer was negotiated in good faith. Accordingly, I respectfully request the Court find Buyer (should it be the successful purchaser) to be a "Good Faith Purchaser" under Code § 363(m). Other than being a potential purchaser, to my knowledge Buyer has no connection to the Debtor,

5. Other than serving as the real estate broker for the Debtor in this proposed Sale, neither I nor the Broker have any connection with the Debtor or Buyer. Further, to the best of my knowledge, neither I, the Broker, or the Buyer has any connection to any

1 other party in interest in this case, their respective attorneys and accountants, the United
2 States Trustee, or any person employed in the office of the United States Trustee. To the
3 best of my knowledge, Buyer has no interest adverse to the Debtor or the chapter 11
4 estate and Buyer has no pre-petition claims against the bankruptcy estate. I am informed
5 and believe that Buyer is "disinterested" as that term is defined in 11 U.S.C. section
6 101(14).

7 I declare under penalty of perjury under the laws of the United States that the
8 foregoing is true and correct.

9 Executed on this 1st day of May 2018 at Sacramento, California.

10
11 *Original signature to follow*

12 Tim Mustin, for Jones Lang LaSalle Brokerage, Inc.
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EXHIBIT A



**STANDARD OFFER, AGREEMENT AND ESCROW INSTRUCTIONS
FOR PURCHASE OF REAL ESTATE**

(Non-Residential)

Dated: _____

1. Buyer.

1.1 Sovena USA, ("Buyer") hereby offers to purchase the real property, hereinafter described, from the owner thereof ("Seller") (collectively, the "Parties" or individually, a "Party"), through an escrow ("Escrow") to close 30 or _____ days after the waiver or expiration of the Buyer's Contingencies, ("Expected Closing Date") to be held by Old Republic Title Company ("Escrow Holder") whose address is 3425 Brookside Road, Suite C, Phone No. 209-955-2804, Facsimile No. _____ upon the terms and conditions set forth in this agreement ("Agreement"). Buyer shall have the right to assign Buyer's rights hereunder, but any such assignment shall not relieve Buyer of Buyer's obligations herein unless Seller expressly releases Buyer.

1.2 The term "Date of Agreement" as used herein shall be the date when by execution and delivery (as defined in paragraph 20.2) of this document or a subsequent counteroffer thereto, Buyer and Seller have reached agreement in writing whereby Seller agrees to sell, and Buyer agrees to purchase, the Property upon terms accepted by both Parties.

2. Property.

2.1 The real property ("Property") that is the subject of this offer consists of (insert a brief physical description) an approximate 201,400 sf industrial building is located in the County of San Joaquin, is commonly known as (street address, city, state, zip) 3001 Nayone Road, Stockton, California 95215 and is legally described as: _____ (APN: 101-290-12).

2.2 If the legal description of the Property is not complete or is inaccurate, this Agreement shall not be invalid and the legal description shall be completed or corrected to meet the requirements of Old Republic Title Company ("Title Company"), which shall issue the title policy hereinafter described.

2.3 The Property includes, at no additional cost to Buyer, the permanent improvements thereon, including those items which pursuant to applicable law are a part of the property, as well as the following items, if any, owned by Seller and at present located on the Property: electrical distribution systems (power panel, bus ducting, conduits, disconnects, lighting fixtures); telephone distribution systems (lines, jacks and connections only); space heaters; heating, ventilating, air conditioning equipment ("HVAC"); air lines; fire sprinkler systems; security and fire detection systems; carpets; window coverings; wall coverings; and _____ (collectively, the "Improvements").

2.4 The fire sprinkler monitor: ☒ is owned by Seller and included in the Purchase Price, ☐ is leased by Seller, and Buyer will need to negotiate a new lease with the fire monitoring company, ☐ ownership will be determined during Escrow, or ☐ there is no fire sprinkler monitor.

2.5 Except as provided in Paragraph 2.3, the Purchase Price does not include Seller's personal property, furniture and furnishings, and _____ all of which shall be removed by Seller prior to Closing.

3. Purchase Price.

3.1 The purchase price ("Purchase Price") to be paid by Buyer to Seller for the Property shall be Nine Million Two Hundred Fifty Thousand Dollars (\$9,250,000.00), payable as follows:
(Strike any not applicable)

(a) Cash down payment, including the Deposit as defined in paragraph 4.3 (or if an all cash transaction, the Purchase Price):

(b) Amount of "New Loan" as defined in paragraph 5.1, if any:

\$150,000

(c) ~~Buyer shall take title to the Property subject to and/or assume the following existing deed of trust ("Existing Deed(s) of Trust") securing the existing promissory note(s) ("Existing Note(s)");~~

TBD

~~(i) An Existing Note ("First Note") with an unpaid principal balance as of the Closing of approximately:~~

~~Said First Note is payable at _____ per month, including interest at the rate of _____ % per annum until paid (and/or the entire unpaid balance is due on _____)~~

n/a

~~(ii) An Existing Note ("Second Note") with an unpaid principal balance as of the Closing of approximately:~~

~~Said Second Note is payable at _____ per month, including interest at the rate of _____ % per annum until paid (and/or the entire unpaid balance is due on _____)~~

n/a

(d) Buyer shall give Seller a deed of trust ("Purchase Money Deed of Trust") on the property, to secure the

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promissory note of Buyer to Seller described in paragraph 6 ("Purchase Money Note") in the amount of:

Total Purchase Price:

\$9,250,000.00

3.2 If Buyer is taking title to the Property subject to, or assuming, an Existing Deed of Trust and such deed of trust permits the beneficiary to demand payment of fees including, but not limited to, points, processing fees, and appraisal fees as a condition to the transfer of the Property, Buyer agrees to pay such fees up to a maximum of 1.5% of the unpaid principal balance of the applicable Existing Note.

4. Deposits.

4.1 ☐ Buyer has delivered to Broker a check in the sum of \$150,000, payable to Escrow Holder, to be delivered by Broker to Escrow Holder within 2 or (5) Five business days after both Parties have executed this Agreement and the executed Agreement has been delivered to Escrow Holder, or ☒ within 2 or 5 business days after both Parties have executed this Agreement and the executed Agreement has been delivered to Escrow Holder. Buyer shall deliver to Escrow Holder a check in the sum of \$150,000.00. If said check is not received by Escrow Holder within said time period then Seller may elect to unilaterally terminate this transaction by giving written notice of such election to Escrow Holder whereupon neither Party shall have any further liability to the other under this Agreement. Should Buyer and Seller not enter into an agreement for purchase and sale, Buyer's check or funds shall, upon request by Buyer, be promptly returned to Buyer.

4.2 Additional deposits:

(a) Within 5 business days after the Date of Agreement, Buyer shall deposit with Escrow Holder the additional sum of n/a to be applied to the Purchase Price at the Closing.

(b) Within 5 business days after the contingencies discussed in paragraph 9.1 (a) through (m) are approved or waived, Buyer shall deposit with Escrow Holder the additional sum of to be applied to the Purchase Price at the Closing.

(c) If an Additional Deposit is not received by Escrow Holder within the time period provided then Seller may notify Buyer, Escrow Holder, and Brokers, in writing that, unless the Additional Deposit is received by Escrow Holder within 2 business days following said notice, the Escrow shall be deemed terminated without further notice or instructions.

4.3 Escrow Holder shall deposit the funds deposited with it by Buyer pursuant to paragraphs 4.1 and 4.2 (collectively the "Deposit"), in a State or Federally chartered bank in an interest bearing account whose term is appropriate and consistent with the timing requirements of this transaction. The interest therefrom shall accrue to the benefit of Buyer, who hereby acknowledges that there may be penalties or interest forfeitures if the applicable instrument is redeemed prior to its specified maturity. Buyer's Federal Tax Identification Number is . NOTE: Such interest bearing account cannot be opened until Buyer's Federal Tax Identification Number is provided.

4.4 Notwithstanding the foregoing, within 5 days after Escrow Holder receives the monies described in paragraph 4.1 above, Escrow Holder shall release \$100 of said monies to Seller as and for independent consideration for Seller's execution of this Agreement and the granting of the contingency period to Buyer as herein provided. Such independent consideration is non-refundable to Buyer but shall be credited to the Purchase Price in the event that the purchase of the Property is completed.

4.5 Upon waiver of all of Buyer's contingencies the Deposit shall become non-refundable but applicable to the Purchase Price except in the event of a Seller breach, or in the event that the Escrow is terminated pursuant to the provisions of Paragraph 9.1(n) (Destruction, Damage or Loss) or 9.1(o) (Material Change).

5. Financing Contingency. (Strike if not applicable)

5.1 This offer is contingent upon Buyer obtaining from an insurance company, financial institution or other lender, a commitment to lend to Buyer a sum equal to at least 65 % of the Purchase Price, on terms reasonably acceptable to Buyer. Such loan ("New Loan") shall be secured by a first deed of trust or mortgage on the Property. If this Agreement provides for Seller to carry back junior financing, then Seller shall have the right to approve the terms of the New Loan. Seller shall have 7 days from receipt of the commitment setting forth the proposed terms of the New Loan to approve or disapprove of such proposed terms. If Seller fails to notify Escrow Holder, in writing, of the disapproval within said 7 days it shall be conclusively presumed that Seller has approved the terms of the New Loan.

5.2 Buyer hereby agrees to diligently pursue obtaining the New Loan. If Buyer shall fail to notify its Broker, Escrow Holder and Seller, in writing within 45 days following the Date of Agreement, that the New Loan has not been obtained, it shall be conclusively presumed that Buyer has either obtained said New Loan or has waived this New Loan contingency.

5.3 If, after due diligence, Buyer shall notify its Broker, Escrow Holder and Seller, in writing, within the time specified in paragraph 5.2 hereof, that Buyer has not obtained said New Loan, this Agreement shall be terminated, and Buyer shall be entitled to the prompt return of the Deposit, plus any interest earned thereon, less only Escrow Holder and Title Company cancellation fees and costs, which Buyer shall pay.

6. Seller Financing. (Purchase Money Note). (Strike if not applicable)

6.1 If Seller approves Buyer's financials (see paragraph 6.5) the Purchase Money Note shall provide for interest on unpaid principal at the rate of % per annum, with principal and interest paid as follows: . The Purchase Money Note and Purchase Money Deed of Trust shall be on the current forms commonly used by Escrow Holder, and be junior and subordinate only to the Existing Note(s) and/or the New Loan expressly called for by this Agreement.

6.2 The Purchase Money Note and/or the Purchase Money Deed of Trust shall contain provisions regarding the following (see also paragraph 10.3 (b)):

(a) Prepayment. Principal may be prepaid in whole or in part at any time without penalty, at the option of the Buyer.

(b) Late Charge. A late charge of 6% shall be payable with respect to any payment of principal, interest, or other charges, not made within 10 days after it is due.

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(c) ~~Due On Sale~~. In the event the Buyer sells or transfers title to the Property or any portion thereof, then the Seller may, at Seller's option, require the entire unpaid balance of said Note to be paid in full.

6.3 If the Purchase Money Deed of Trust is to be subordinate to other financing, Escrow Holder shall, at Buyer's expense prepare and record on Seller's behalf a request for notice of default and/or sale with regard to each mortgage or deed of trust to which it will be subordinate.

6.4 WARNING: CALIFORNIA LAW DOES NOT ALLOW DEFICIENCY JUDGEMENTS ON SELLER FINANCING. IF BUYER ULTIMATELY DEFAULTS ON THE LOAN, SELLER'S SOLE REMEDY IS TO FORECLOSE ON THE PROPERTY.

6.5 Seller's obligation to provide financing is contingent upon Seller's reasonable approval of Buyer's financial condition. Buyer to provide a current financial statement and copies of its Federal tax returns for the last 3 years to Seller within 10 days following the Date of Agreement. Seller has 10 days following receipt of such documentation to satisfy itself with regard to Buyer's financial condition and to notify Escrow Holder as to whether or not Buyer's financial condition is acceptable. If Seller fails to notify Escrow Holder, in writing, of the disapproval of this contingency within said time period, it shall be conclusively presumed that Seller has approved Buyer's financial condition. If Seller is not satisfied with Buyer's financial condition or if Buyer fails to deliver the required documentation then Seller may notify Escrow Holder in writing that Seller Financing will not be available, and Buyer shall have the option, within 10 days of the receipt of such notice, to either terminate this transaction or to purchase the Property without Seller financing. If Buyer fails to notify Escrow Holder within said time period of its election to terminate this transaction then Buyer shall be conclusively presumed to have elected to purchase the Property without Seller financing. If Buyer elects to terminate, Buyer's Deposit shall be refunded less Title Company and Escrow Holder cancellation fees and costs, all of which shall be Buyer's obligation.

7. Real Estate Brokers.

7.1 The following real estate broker(s) ("Brokers") and brokerage relationships exist in this transaction and are consented to by the Parties (check the applicable boxes):

- ☒ JLL represents Seller exclusively ("Seller's Broker");
☒ Cushman & Wakefield represents Buyer exclusively ("Buyer's Broker"); or
☐ _____ represents both Seller and Buyer ("Dual Agency").

The Parties acknowledge that other than the Brokers listed above, there are no other brokers representing the Parties or due any fees and/or commissions under this Agreement. See paragraph 24 regarding the nature of a real estate agency relationship. Buyer shall use the services of Buyer's Broker exclusively in connection with any and all negotiations and offers with respect to the Property for a period of 1 year from the date inserted for reference purposes at the top of page 1.

7.2 Buyer and Seller each represent and warrant to the other that he/she/it has had no dealings with any person, firm, broker or finder in connection with the negotiation of this Agreement and/or the consummation of the purchase and sale contemplated herein, other than the Brokers named in paragraph 7.1, and no broker or other person, firm or entity, other than said Brokers is/are entitled to any commission or finder's fee in connection with this transaction as the result of any dealings or acts of such Party. Buyer and Seller do each hereby agree to indemnify, defend, protect and hold the other harmless from and against any costs, expenses or liability for compensation, commission or charges which may be claimed by any broker, finder or other similar party, other than said named Brokers by reason of any dealings or act of the indemnifying Party.

8. Escrow and Closing.

8.1 Upon acceptance hereof by Seller, this Agreement, including any counteroffers incorporated herein by the Parties, shall constitute not only the agreement of purchase and sale between Buyer and Seller, but also instructions to Escrow Holder for the consummation of the Agreement through the Escrow. Escrow Holder shall not prepare any further escrow instructions restating or amending the Agreement unless specifically so instructed by the Parties or a Broker herein. Subject to the reasonable approval of the Parties, Escrow Holder may, however, include its standard general escrow provisions. In the event that there is any conflict between the provisions of the Agreement and the provisions of any additional escrow instructions the provisions of the Agreement shall prevail as to the Parties and the Escrow Holder.

8.2 As soon as practical after the receipt of this Agreement and any relevant counteroffers, Escrow Holder shall ascertain the Date of Agreement as defined in paragraphs 1.2 and 20.2 and advise the Parties and Brokers, in writing, of the date ascertained.

8.3 Escrow Holder is hereby authorized and instructed to conduct the Escrow in accordance with this Agreement, applicable law and custom and practice of the community in which Escrow Holder is located, including any reporting requirements of the Internal Revenue Code. In the event of a conflict between the law of the state where the Property is located and the law of the state where the Escrow Holder is located, the law of the state where the Property is located shall prevail.

8.4 Subject to satisfaction of the contingencies herein described, Escrow Holder shall close this escrow (the "Closing") by recording a general warranty deed (a grant deed in California) and the other documents required to be recorded, and by disbursing the funds and documents in accordance with this Agreement.

8.5 Buyer and Seller shall each pay one-half of the Escrow Holder's charges and Seller shall pay the usual recording fees and any required documentary transfer taxes. Seller shall pay the premium for a standard coverage owner's or joint protection policy of title insurance. (See also paragraph 11.)

8.6 Escrow Holder shall verify that all of Buyer's contingencies have been satisfied or waived prior to Closing. The matters contained in paragraphs 9.1 subparagraphs (b), (c), (d), (e), (g), (i), (n), and (o), 9.4, 12, 13, 14, 16, 18, 20, 21, 22, and 24 are, however, matters of agreement between the Parties only and are not instructions to Escrow Holder.

8.7 If this transaction is terminated for non-satisfaction and non-waiver of a Buyer's Contingency, as defined in paragraph 9.2, then neither of the Parties shall thereafter have any liability to the other under this Agreement, except to the extent of a breach of any affirmative covenant or warranty in this Agreement. In the event of such termination, Buyer shall, subject to the provisions of paragraph 8.10, be promptly refunded all funds deposited by Buyer with Escrow Holder, less only the \$100 provided for in paragraph 4.4 and the Title Company and Escrow Holder

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cancellation fees and costs, all of which shall be Buyer's obligation, but shall be limited to a maximum of \$500.00. If this transaction is terminated as a result of Seller's breach of this Agreement then Seller shall pay the Title Company and Escrow Holder cancellation fees and costs.

8.8 The Closing shall occur on the Expected Closing Date, or as soon thereafter as the Escrow is In condition for Closing; provided, however, that if the Closing does not occur by the Expected Closing Date and said Date is not extended by mutual instructions of the Parties, a Party not then in default under this Agreement may notify the other Party, Escrow Holder, and Brokers, in writing that, unless the Closing occurs within 5 business days following said notice, the Escrow shall be deemed terminated without further notice or instructions.

8.9 Except as otherwise provided herein, the termination of Escrow shall not relieve or release either Party from any obligation to pay Escrow Holder's fees and costs or constitute a waiver, release or discharge of any breach or default that has occurred in the performance of the obligations, agreements, covenants or warranties contained therein.

~~8.10 If this sale of the Property is not consummated for any reason other than Seller's breach or default, then at Seller's request, and as a condition to any obligation to return Buyer's deposit (see paragraph 21), Buyer shall within 5 days after written request deliver to Seller, at no charge, copies of all surveys, engineering studies, soil reports, maps, master plans, feasibility studies and other similar items prepared by or for Buyer that pertain to the Property. Provided, however, that Buyer shall not be required to deliver any such report if the written contract which Buyer entered into with the consultant who prepared such report specifically forbids the dissemination of the report to others.~~

9. Contingencies to Closing.

9.1 The Closing of this transaction is contingent upon the satisfaction or waiver of the following contingencies. **IF BUYER FAILS TO NOTIFY ESCROW HOLDER SELLER, IN WRITING, OF THE DISAPPROVAL OF ANY OF SAID CONTINGENCIES WITHIN THE TIME SPECIFIED THEREIN, IT SHALL BE CONCLUSIVELY PRESUMED THAT BUYER HAS APPROVED SUCH ITEM, MATTER OR DOCUMENT.** Buyer's conditional approval shall constitute disapproval, unless provision is made by the Seller within the time specified therefore by the Buyer in such conditional approval or by this Agreement, whichever is later, for the satisfaction of the condition imposed by the Buyer. ~~Escrow Holder shall promptly provide all Parties with copies of any written disapproval or conditional approval which it receives.~~ With regard to subparagraphs (a) through (m) the pre-printed time periods shall control unless a different number of days is inserted in the spaces provided.

(a) *Disclosure.* Seller shall make to Buyer, through Escrow, all of the applicable disclosures required by law (See AIR CRE ("AIR") standard form entitled "Seller's Mandatory Disclosure Statement") and provide Buyer with a completed Property Information Sheet ("Property Information Sheet") concerning the Property, duly executed by or on behalf of Seller in the current form or equivalent to that published by the AIR within 10 or _____ days following the Date of Agreement. Buyer has 10 days from the receipt of said disclosures to approve or disapprove the matters disclosed.

(b) *Physical Inspection.* Buyer has ~~10 or~~ 45 days following the receipt of the Property Information Sheet or the Date of Agreement, whichever is later, to satisfy itself with regard to the physical aspects and size of the Property.

(c) *Hazardous Substance Conditions Report.* Buyer has ~~30 or~~ 45 days following the receipt of the Property Information Sheet or the Date of Agreement, whichever is later, to satisfy itself with regard to the environmental aspects of the Property. Seller recommends that Buyer obtain a Hazardous Substance Conditions Report concerning the Property and relevant adjoining properties. Any such report shall be paid for by Buyer. A "Hazardous Substance" for purposes of this Agreement is defined as any substance whose nature and/or quantity of existence, use, manufacture, disposal or effect, render it subject to Federal, state or local regulation, investigation, remediation or removal as potentially injurious to public health or welfare. A "Hazardous Substance Condition" for purposes of this Agreement is defined as the existence on, under or relevantly adjacent to the Property of a Hazardous Substance that would require remediation and/or removal under applicable Federal, state or local law.

(d) *Soil Inspection.* Buyer has ~~30 or~~ 45 days from the receipt of the Property Information Sheet or the Date of Agreement, whichever is later, to satisfy itself with regard to the condition of the soils on the Property. Seller recommends that Buyer obtain a soil test report. Any such report shall be paid for by Buyer. Seller shall provide Buyer copies of any soils report that Seller may have within 10 days following the Date of Agreement.

(e) *Governmental Approvals.* Buyer has ~~30 or~~ 45 days following the Date of Agreement to satisfy itself with regard to approvals and permits from governmental agencies or departments which have or may have jurisdiction over the Property and which Buyer deems necessary or desirable in connection with its intended use of the Property, including, but not limited to, permits and approvals required with respect to zoning, planning, building and safety, fire, police, handicapped and Americans with Disabilities Act requirements, transportation and environmental matters.

(f) *Conditions of Title.* Escrow Holder shall cause a current commitment for title insurance ("Title Commitment") concerning the Property issued by the Title Company, as well as legible copies of all documents referred to in the Title Commitment ("Underlying Documents"), and a scaled and dimensioned plot showing the location of any easements to be delivered to Buyer within ~~10 or~~ 10 days following the Date of Agreement. Buyer has ~~10~~ 35 days from the receipt of the Title Commitment, the Underlying Documents and the plot plan to satisfy itself with regard to the condition of title. The disapproval by Buyer of any monetary encumbrance, which by the terms of this Agreement is not to remain against the Property after the Closing, shall not be considered a failure of this contingency, as Seller shall have the obligation, at Seller's expense, to satisfy and remove such disapproved monetary encumbrance at or before the Closing.

(g) *Survey.* Buyer has ~~30 or~~ 35 days following the receipt of the Title Commitment and Underlying Documents to satisfy itself with regard to any ALTA title supplement based upon a survey prepared to American Land Title Association ("ALTA") standards for an owner's policy by a licensed surveyor, showing the legal description and boundary lines of the Property, any easements of record, and any improvements, poles, structures and things located within 10 feet of either side of the Property boundary lines. Any such survey shall be prepared at Buyer's direction and expense. If Buyer has obtained a survey and approved the ALTA title supplement, Buyer may elect within the period allowed for Buyer's approval of a survey to have an ALTA extended coverage owner's form of title policy, in which event Buyer shall pay any additional premium

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attributable thereto.

(h) *Existing Leases and Tenancy Statements.* Seller shall within 10 or _____ days following the Date of Agreement provide both Buyer and Escrow Holder with legible copies of all leases, subleases or rental arrangements (collectively, "Existing Leases") affecting the Property, and with a tenancy statement ("Estoppel Certificate") in the latest form or equivalent to that published by the AIR, executed by Seller and/or each tenant and subtenant of the Property. Seller shall use its best efforts to have each tenant complete and execute an Estoppel Certificate. If any tenant fails or refuses to provide an Estoppel Certificate then Seller shall complete and execute an Estoppel Certificate for that tenancy. Buyer has 10 days from the receipt of said Existing Leases and Estoppel Certificates to satisfy itself with regard to the Existing Leases and any other tenancy issues.

(i) *Owner's Association.* Seller shall within 10 or _____ days following the Date of Agreement provide Buyer with a statement and transfer package from any owner's association servicing the Property. Such transfer package shall at a minimum include: copies of the association's bylaws, articles of incorporation, current budget and financial statement. Buyer has 10 35 days from the receipt of such documents to satisfy itself with regard to the association.

(j) *Other Agreements.* Seller shall within 10 or _____ days following the Date of Agreement provide Buyer with legible copies of all other agreements ("Other Agreements") known to Seller that will affect the Property after Closing. Buyer has 10 35 days from the receipt of said Other Agreements to satisfy itself with regard to such Agreements.

(k) *Financing.* If paragraph 5 hereof dealing with a financing contingency has not been stricken, the satisfaction or waiver of such New Loan contingency.

(l) *Existing Notes.* If paragraph 3.1(c) has not been stricken, Seller shall within 10 or _____ days following the Date of Agreement provide Buyer with legible copies of the Existing Notes, Existing Deeds of Trust and related agreements (collectively, "Loan Documents") to which the Property will remain subject after the Closing. Escrow Holder shall promptly request from the holders of the Existing Notes a beneficiary statement ("Beneficiary Statement") confirming: (1) the amount of the unpaid principal balance, the current interest rate, and the date to which interest is paid, and (2) the nature and amount of any impounds held by the beneficiary in connection with such loan. Buyer has 10 or _____ days following the receipt of the Loan Documents and Beneficiary Statements to satisfy itself with regard to such financing. Buyer's obligation to close is conditioned upon Buyer being able to purchase the Property without acceleration or change in the terms of any Existing Notes or charges to Buyer except as otherwise provided in this Agreement or approved by Buyer, provided, however, Buyer shall pay the transfer fee referred to in paragraph 3.7 hereof. Likewise if Seller is to carry back a Purchase Money Note then Seller shall within 10 or _____ days following the Date of Agreement provide Buyer with a copy of the proposed Purchase Money Note and Purchase Money Deed of Trust. Buyer has 10 or _____ days from the receipt of such documents to satisfy itself with regard to the form and content thereof.

(m) *Personal Property.* In the event that any personal property is included in the Purchase Price, Buyer has 10 or _____ days following the Date of Agreement to satisfy itself with regard to the title condition of such personal property. Seller recommends that Buyer obtain a UCC-1 report. Any such report shall be paid for by Buyer. Seller shall provide Buyer copies of any liens or encumbrances affecting such personal property that it is aware of within 10 or _____ days following the Date of Agreement.

(n) *Destruction, Damage or Loss.* Subsequent to the Date of Agreement and prior to Closing there shall not have occurred a destruction of, or damage or loss to, the Property or any portion thereof, from any cause whatsoever, which would cost more than \$10,000.00 to repair or cure. If the cost of repair or cure is \$10,000.00 or less, Seller shall repair or cure the loss prior to the Closing. Buyer shall have the option, within 10 days after receipt of written notice of a loss costing more than \$10,000.00 to repair or cure, to either terminate this Agreement or to purchase the Property notwithstanding such loss, but without deduction or offset against the Purchase Price. If the cost to repair or cure is more than \$10,000.00, and Buyer does not elect to terminate this Agreement, Buyer shall be entitled to any insurance proceeds applicable to such loss. Unless otherwise notified in writing, Escrow Holder shall assume no such destruction, damage or loss has occurred prior to Closing.

(o) *Material Change.* Buyer shall have 10 days following receipt of written notice of a Material Change within which to satisfy itself with regard to such change. "Material Change" shall mean a substantial adverse change in the use, occupancy, tenants, title, or condition of the Property that occurs after the date of this offer and prior to the Closing. Unless otherwise notified in writing, Escrow Holder shall assume that no Material Change has occurred prior to the Closing.

(p) *Seller Performance.* The delivery of all documents and the due performance by Seller of each and every undertaking and agreement to be performed by Seller under this Agreement.

(q) *Brokerage Fee.* Payment at the Closing of such brokerage fee as is specified in this Agreement or later written instructions to Escrow Holder executed by Seller and Brokers ("Brokerage Fee"). It is agreed by the Parties and Escrow Holder that Brokers are a third party beneficiary of this Agreement insofar as the Brokerage Fee is concerned, and that no change shall be made with respect to the payment of the Brokerage Fee specified in this Agreement, without the written consent of Brokers.

9.2 All of the contingencies specified in subparagraphs (a) through (m) of paragraph 9.1 are for the benefit of, and may be waived by, Buyer, and may be elsewhere herein referred to as "Buyer's Contingencies."

9.3 If any of Buyer's Contingencies or any other matter subject to Buyer's approval is disapproved as provided for herein in a timely manner ("Disapproved Item"), Seller shall have the right within 10 days following the receipt of notice of Buyer's disapproval to elect to cure such Disapproved Item prior to the Expected Closing Date ("Seller's Election"). Seller's failure to give to Buyer within such period, written notice of Seller's commitment to cure such Disapproved Item on or before the Expected Closing Date shall be conclusively presumed to be Seller's Election not to cure such Disapproved Item. If Seller elects, either by written notice or failure to give written notice, not to cure a Disapproved Item, Buyer shall have the right, within 10 days after Seller's Election to either accept title to the Property subject to such Disapproved Item, or to terminate this Agreement. Buyer's failure to notify Seller in writing of Buyer's election to accept title to the Property subject to the Disapproved Item without deduction or offset shall constitute Buyer's election to terminate this Agreement. The above time periods only apply once for each Disapproved Item. Unless expressly provided otherwise herein, Seller's right to cure shall not apply to the remediation of Hazardous Substance Conditions or to

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the Financing Contingency. Unless the Parties mutually instruct otherwise, if the time periods for the satisfaction of contingencies or for Seller's and Buyer's elections would expire on a date after the Expected Closing Date, the Expected Closing Date shall be deemed extended for 3 business days following the expiration of: (a) the applicable contingency period(s), (b) the period within which the Seller may elect to cure the Disapproved Item, or (c) if Seller elects not to cure, the period within which Buyer may elect to proceed with this transaction, whichever is later.

9.4 The Parties acknowledge that extensive local, state and Federal legislation establish broad liability upon owners and/or users of real property for the investigation and remediation of Hazardous Substances. The determination of the existence of a Hazardous Substance Condition and the evaluation of the impact of such a condition are highly technical and beyond the expertise of Brokers. The Parties acknowledge that they have been advised by Brokers to consult their own technical and legal experts with respect to the possible presence of Hazardous Substances on the Property or adjoining properties, and Buyer and Seller are not relying upon any investigation by or statement of Brokers with respect thereto. The Parties hereby assume all responsibility for the impact of such Hazardous Substances upon their respective interests herein.

10. Documents Required at or Before Closing.

10.1 Five days prior to the Closing date Escrow Holder shall obtain an updated Title Commitment concerning the Property from the Title Company and provide copies thereof to each of the Parties.

10.2 Seller shall deliver to Escrow Holder in time for delivery to Buyer at the Closing:

- (a) Grant or general warranty deed, duly executed and in recordable form, conveying fee title to the Property to Buyer.
- (b) If applicable, the Beneficiary Statements concerning Existing Note(s).
- (c) If applicable, the Existing Leases and Other Agreements together with duly executed assignments thereof by Seller and Buyer. The assignment of Existing Leases shall be on the most recent Assignment and Assumption of Lessor's Interest in Lease form published by the AIR or its equivalent.
- (d) If applicable, Estoppel Certificates executed by Seller and/or the tenant(s) of the Property.
- (e) An affidavit executed by Seller to the effect that Seller is not a "foreign person" within the meaning of Internal Revenue Code Section 1445 or successor statutes. If Seller does not provide such affidavit in form reasonably satisfactory to Buyer at least 3 business days prior to the Closing, Escrow Holder shall at the Closing deduct from Seller's proceeds and remit to the Internal Revenue Service such sum as is required by applicable Federal law with respect to purchases from foreign sellers.
- (f) If the Property is located in California, an affidavit executed by Seller to the effect that Seller is not a "nonresident" within the meaning of California Revenue and Tax Code Section 18662 or successor statutes. If Seller does not provide such affidavit in form reasonably satisfactory to Buyer at least 3 business days prior to the Closing, Escrow Holder shall at the Closing deduct from Seller's proceeds and remit to the Franchise Tax Board such sum as is required by such statute.
- (g) If applicable, a bill of sale, duly executed, conveying title to any included personal property to Buyer.
- (h) If the Seller is a corporation, a duly executed corporate resolution authorizing the execution of this Agreement and the sale of the Property.

10.3 Buyer shall deliver to Seller through Escrow:

- (a) The cash portion of the Purchase Price and such additional sums as are required of Buyer under this Agreement shall be deposited by Buyer with Escrow Holder, by federal funds wire transfer, or any other method acceptable to Escrow Holder in immediately collectable funds, no later than 2:00 P.M. on the business day prior to the Expected Closing Date provided, however, that Buyer shall not be required to deposit such monies into Escrow if at the time set for the deposit of such monies Seller is in default or has indicated that it will not perform any of its obligations hereunder. Instead, in such circumstances in order to reserve its rights to proceed Buyer need only provide Escrow with evidence establishing that the required monies were available.
- (b) If a Purchase Money Note and Purchase Money Deed of Trust are called for by this Agreement, the duly executed originals of those documents, the Purchase Money Deed of Trust being in recordable form, together with evidence of fire insurance on the improvements in the amount of the full replacement cost naming Seller as a mortgage loss payee, and a real estate tax service contract (at Buyer's expense), assuring Seller of notice of the status of payment of real property taxes during the life of the Purchase Money Note.
- (c) The Assignment and Assumption of Lessor's Interest in Lease form specified in paragraph 10.2(c) above, duly executed by Buyer.
- (d) Assumptions duly executed by Buyer of the obligations of Seller that accrue after Closing under any Other Agreements.
- (e) If applicable, a written assumption duly executed by Buyer of the loan documents with respect to Existing Notes.
- (f) If the Buyer is a corporation, a duly executed corporate resolution authorizing the execution of this Agreement and the purchase of the Property.

10.4 At Closing, Escrow Holder shall cause to be issued to Buyer a standard coverage (or ALTA extended, if elected pursuant to 9.1(g)) owner's form policy of title insurance effective as of the Closing, issued by the Title Company in the full amount of the Purchase Price, insuring title to the Property vested in Buyer, subject only to the exceptions approved by Buyer. In the event there is a Purchase Money Deed of Trust in this transaction, the policy of title insurance shall be a joint protection policy insuring both Buyer and Seller.
IMPORTANT: IN A PURCHASE OR EXCHANGE OF REAL PROPERTY, IT MAY BE ADVISABLE TO OBTAIN TITLE INSURANCE IN CONNECTION WITH THE CLOSE OF ESCROW SINCE THERE MAY BE PRIOR RECORDED LIENS AND ENCUMBRANCES WHICH AFFECT YOUR INTEREST IN THE PROPERTY BEING ACQUIRED. A NEW POLICY OF TITLE INSURANCE SHOULD BE OBTAINED IN ORDER TO ENSURE YOUR INTEREST IN THE PROPERTY THAT YOU ARE ACQUIRING.

11. Prorations and Adjustments.

11.1 Taxes. Applicable real property taxes and special assessment bonds shall be prorated through Escrow as of the date of the Closing, based upon the latest tax bill available. The Parties agree to prorate as of the Closing any taxes assessed against the Property by supplemental bill levied by reason of events occurring prior to the Closing. Payment of the prorated amount shall be made promptly in cash upon receipt of a copy of any supplemental bill.


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11.2 **Insurance. WARNING:** Any insurance which Seller may have maintained will terminate on the Closing. Buyer is advised to obtain appropriate insurance to cover the Property.

11.3 **Rentals, Interest and Expenses.** Scheduled rentals, interest on Existing Notes, utilities, and operating expenses shall be prorated as of the date of Closing. The Parties agree to promptly adjust between themselves outside of Escrow any rents received after the Closing.

11.4 **Security Deposit.** Security Deposits held by Seller shall be given to Buyer as a credit to the cash required of Buyer at the Closing.

11.5 **Post Closing Matters.** Any item to be prorated that is not determined or determinable at the Closing shall be promptly adjusted by the Parties by appropriate cash payment outside of the Escrow when the amount due is determined.

11.6 **Variations in Existing Note Balances.** In the event that Buyer is purchasing the Property subject to an Existing Deed of Trust(s), and in the event that a Beneficiary Statement as to the applicable Existing Note(s) discloses that the unpaid principal balance of such Existing Note(s) at the closing will be more or less than the amount set forth in paragraph 3.1(c) hereof ("Existing Note Variation"), then the Purchase Money Note(s) shall be reduced or increased by an amount equal to such Existing Note Variation. If there is to be no Purchase Money Note, the cash required at the Closing per paragraph 3.1(a) shall be reduced or increased by the amount of such Existing Note Variation.

11.7 **Variations in New Loan Balance.** In the event Buyer is obtaining a New Loan and the amount ultimately obtained exceeds the amount set forth in paragraph 5.1, then the amount of the Purchase Money Note, if any, shall be reduced by the amount of such excess.

11.8 **Owner's Association Fees.** Escrow Holder shall: (i) bring Seller's account with the association current and pay any delinquencies or transfer fees from Seller's proceeds, and (ii) pay any up front fees required by the association from Buyer's funds.

12. Representations and Warranties of Seller and Disclaimers.

12.1 Seller's warranties and representations shall survive the Closing and delivery of the deed for a period of 3 years, and any lawsuit or action based upon them must be commenced within such time period. Seller's warranties and representations are true, material and relied upon by Buyer and Brokers in all respects. Seller hereby makes the following warranties and representations to Buyer and Brokers:

(a) **Authority of Seller.** Seller is the owner of the Property and/or has the full right, power and authority to sell, convey and transfer the Property to Buyer as provided herein, and to perform Seller's obligations hereunder.

(b) **Maintenance During Escrow and Equipment Condition At Closing.** Except as otherwise provided in paragraph 9.1(n) hereof, Seller shall maintain the Property until the Closing in its present condition, ordinary wear and tear excepted.

(c) **Hazardous Substances/Storage Tanks.** Seller has no knowledge, except as otherwise disclosed to Buyer in writing, of the existence or prior existence on the Property of any Hazardous Substance, nor of the existence or prior existence of any above or below ground storage tank.

(d) **Compliance.** Seller has no knowledge of any aspect or condition of the Property which violates applicable laws, rules, regulations, codes or covenants, conditions or restrictions, or of improvements or alterations made to the Property without a permit where one was required, or of any unfulfilled order or directive of any applicable governmental agency or casualty insurance company requiring any investigation, remediation, repair, maintenance or improvement be performed on the Property.

(e) **Changes in Agreements.** Prior to the Closing, Seller will not violate or modify any Existing Lease or Other Agreement, or create any new leases or other agreements affecting the Property, without Buyer's written approval, which approval will not be unreasonably withheld.

(f) **Possessory Rights.** Seller has no knowledge that anyone will, at the Closing, have any right to possession of the Property, except as disclosed by this Agreement or otherwise in writing to Buyer.

(g) **Mechanics' Liens.** There are no unsatisfied mechanics' or materialmen's lien rights concerning the Property.

(h) **Actions, Suits or Proceedings.** Seller has no knowledge of any actions, suits or proceedings pending or threatened before any commission, board, bureau, agency, arbitrator, court or tribunal that would affect the Property or the right to occupy or utilize same.

(i) **Notice of Changes.** Seller will promptly notify Buyer and Brokers in writing of any Material Change (see paragraph 9.1(o)) affecting the Property that becomes known to Seller prior to the Closing.

(j) **No Tenant Bankruptcy Proceedings.** Seller has no notice or knowledge that any tenant of the Property is the subject of a bankruptcy or insolvency proceeding.

(k) **No Seller Bankruptcy Proceedings.** Seller is not the subject of a bankruptcy, insolvency or probate proceeding.

(l) **Personal Property.** Seller has no knowledge that anyone will, at the Closing, have any right to possession of any personal property included in the Purchase Price nor knowledge of any liens or encumbrances affecting such personal property, except as disclosed by this Agreement or otherwise in writing to Buyer.

12.2 Buyer hereby acknowledges that, except as otherwise stated in this Agreement, Buyer is purchasing the Property in its existing condition and will, by the time called for herein, make or have waived all inspections of the Property Buyer believes are necessary to protect its own interest in, and its contemplated use of, the Property. The Parties acknowledge that, except as otherwise stated in this Agreement, no representations, inducements, promises, agreements, assurances, oral or written, concerning the Property, or any aspect of the occupational safety and health laws, Hazardous Substance laws, or any other act, ordinance or law, have been made by either Party or Brokers, or relied upon by either Party hereto.

12.3 In the event that Buyer learns that a Seller representation or warranty might be untrue prior to the Closing, and Buyer elects to purchase the Property anyway then, and in that event, Buyer waives any right that it may have to bring an action or proceeding against Seller or Brokers regarding said representation or warranty.

12.4 Any environmental reports, soils reports, surveys, and other similar documents which were prepared by third party consultants and provided to Buyer by Seller or Seller's representatives, have been delivered as an accommodation to Buyer and without any representation or warranty as to the sufficiency, accuracy, completeness, and/or validity of said documents, all of which Buyer relies on at its own risk. Seller believes said documents to be accurate, but Buyer is advised to retain appropriate consultants to review said documents and investigate the Property.

13. Possession.

Possession of the Property shall be given to Buyer at the Closing subject to the rights of tenants under Existing Leases.

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14. Buyer's Entry.

At any time during the Escrow period, Buyer, and its agents and representatives, shall have the right at reasonable times and subject to rights of tenants, to enter upon the Property for the purpose of making inspections and tests specified in this Agreement. No destructive testing shall be conducted, however, without Seller's prior approval which shall not be unreasonably withheld. Following any such entry or work, unless otherwise directed in writing by Seller, Buyer shall return the Property to the condition it was in prior to such entry or work, including the re-compaction or removal of any disrupted soil or material as Seller may reasonably direct. All such inspections and tests and any other work conducted or materials furnished with respect to the Property by or for Buyer shall be paid for by Buyer as and when due and Buyer shall indemnify, defend, protect and hold harmless Seller and the Property of and from any and all claims, liabilities, losses, expenses (including reasonable attorneys' fees), damages, including those for injury to person or property, arising out of or relating to any such work or materials or the acts or omissions of Buyer, its agents or employees in connection therewith.

15. Further Documents and Assurances.

The Parties shall each, diligently and in good faith, undertake all actions and procedures reasonably required to place the Escrow in condition for Closing as and when required by this Agreement. The Parties agree to provide all further information, and to execute and deliver all further documents, reasonably required by Escrow Holder or the Title Company.

16. Attorneys' Fees.

If any Party or Broker brings an action or proceeding (including arbitration) involving the Property whether founded in tort, contract or equity, or to declare rights hereunder, the Prevailing Party (as hereafter defined) in any such proceeding, action, or appeal thereon, shall be entitled to reasonable attorneys' fees and costs. Such fees may be awarded in the same suit or recovered in a separate suit, whether or not such action or proceeding is pursued to decision or judgment. The term "Prevailing Party" shall include, without limitation, a Party or Broker who substantially obtains or defeats the relief sought, as the case may be, whether by compromise, settlement, judgment, or the abandonment by the other Party or Broker of its claim or defense. The attorneys' fees award shall not be computed in accordance with any court fee schedule, but shall be such as to fully reimburse all attorneys' fees reasonably incurred.

17. Prior Agreements/Amendments.

17.1 This Agreement supersedes any and all prior agreements between Seller and Buyer regarding the Property.

17.2 Amendments to this Agreement are effective only if made in writing and executed by Buyer and Seller.

18. Broker's Rights.

~~18.1 If this sale is not consummated due to the default of either the Buyer or Seller, the defaulting Party shall be liable to and shall pay to Brokers the Brokerage Fee that Brokers would have received had the sale been consummated. If Buyer is the defaulting party, payment of said Brokerage Fee is in addition to any obligation with respect to liquidated or other damages. If this sale is not consummated due to the default of the Seller, Seller shall be liable to and shall pay to Brokers the Brokerage Fee that Brokers would have received had the sale been consummated. If after satisfying or waiving all the contingencies herein described, the Buyer is the defaulting party, payment of said Brokerage fee is in obligation with respect to liquidated or other damages.~~

18.2 Upon the Closing, Brokers are authorized to publicize the facts of this transaction.

19. Notices.

19.1 Whenever any Party, Escrow Holder or Brokers herein shall desire to give or serve any notice, demand, request, approval, disapproval or other communication, each such communication shall be in writing and shall be delivered personally, by messenger, or by mail, postage prepaid, to the address set forth in this agreement or by facsimile transmission, electronic signature, digital signature, or email.

19.2 Service of any such communication shall be deemed made on the date of actual receipt if personally delivered, or transmitted by facsimile transmission, electronic signature, digital signature, or email. Any such communication sent by regular mail shall be deemed given 48 hours after the same is mailed. Communications sent by United States Express Mail or overnight courier that guarantee next day delivery shall be deemed delivered 24 hours after delivery of the same to the Postal Service or courier. If such communication is received on a Saturday, Sunday or legal holiday, it shall be deemed received on the next business day.

19.3 Any Party or Broker hereto may from time to time, by notice in writing, designate a different address to which, or a different person or additional persons to whom, all communications are thereafter to be made.

20. Duration of Offer.

20.1 If this offer is not accepted by Seller on or before 5:00 P.M. according to the time standard applicable to the city of Stockton on the date of April 27, 2018, it shall be deemed automatically revoked.

20.2 The acceptance of this offer, or of any subsequent counteroffer hereto, that creates an agreement between the Parties as described in paragraph 1.2, shall be deemed made upon delivery to the other Party or either Broker herein of a duly executed writing unconditionally accepting the last outstanding offer or counteroffer.

21. LIQUIDATED DAMAGES. (This Liquidated Damages paragraph is applicable only if Initialed by both Parties).

THE PARTIES AGREE THAT IT WOULD BE IMPRACTICABLE OR EXTREMELY DIFFICULT TO FIX, PRIOR TO SIGNING THIS AGREEMENT, THE ACTUAL DAMAGES WHICH WOULD BE SUFFERED BY SELLER IF BUYER FAILS TO PERFORM ITS OBLIGATIONS UNDER THIS AGREEMENT. THEREFORE, IF, AFTER THE SATISFACTION OR WAIVER OF ALL CONTINGENCIES PROVIDED FOR THE BUYER'S BENEFIT, BUYER BREACHES THIS AGREEMENT, SELLER SHALL BE ENTITLED TO LIQUIDATED DAMAGES IN THE AMOUNT OF \$150,000.00. UPON PAYMENT OF SAID SUM TO SELLER, BUYER


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SHALL BE RELEASED FROM ANY FURTHER LIABILITY TO SELLER, AND ANY ESCROW CANCELLATION FEES AND TITLE COMPANY CHARGES SHALL BE PAID BY SELLER. THE PARTIES AGREE THAT IT WOULD BE IMPRACTICABLE OR EXTREMELY DIFFICULT TO FIX, PRIOR TO SIGNING THIS AGREEMENT, THE ACTUAL DAMAGES WHICH WOULD BE SUFFERED BY BUYER IF SELLER FAILS TO PERFORM ITS OBLIGATIONS UNDER THIS AGREEMENT. THEREFORE, IF SELLER BREACHES THIS AGREEMENT BUYER SHALL BE ENTITLED TO LIQUIDATED DAMAGES IN THE AMOUNT OF \$150,000.00 (IN ADDITION TO THE DEPOSIT MADE BY THE BUYER) PLUS ALL ACTUAL EXPENSES BUYER HAD TO INCUR DURING THE ACQUISITION OF THIS PROPERTY. UPON PAYMENT OF SAID SUMS TO BUYER, SELLER SHALL BE RELEASED FROM ANY FURTHER LIABILITY TO BUYER, AND ANY ESCROW CANCELLATION FEES AND TITLE COMPANY CHARGES SHALL BE PAID TO BUYER.

J.P.

Buyer's Initials

[Signature]

Seller's Initials

22. ARBITRATION OF DISPUTES. (This Arbitration of Disputes paragraph is applicable only if Initialed by both Parties.)

22.1 ANY CONTROVERSY AS TO WHETHER SELLER IS ENTITLED TO THE LIQUIDATED DAMAGES AND/OR BUYER IS ENTITLED TO THE RETURN OF DEPOSIT MONEY, SHALL BE DETERMINED BY BINDING ARBITRATION BY, AND UNDER THE COMMERCIAL RULES OF THE AMERICAN ARBITRATION ASSOCIATION ("COMMERCIAL RULES"). ARBITRATION HEARINGS SHALL BE HELD IN THE COUNTY WHERE THE PROPERTY IS LOCATED. THE NUMBER OF ARBITRATORS SHALL BE AS PROVIDED IN THE COMMERCIAL RULES AND EACH SUCH ARBITRATOR SHALL BE AN IMPARTIAL REAL ESTATE BROKER WITH AT LEAST 5 YEARS OF FULL TIME EXPERIENCE IN BOTH THE AREA WHERE THE PROPERTY IS LOCATED AND THE TYPE OF REAL ESTATE THAT IS THE SUBJECT OF THIS AGREEMENT. THE ARBITRATOR OR ARBITRATORS SHALL BE APPOINTED UNDER THE COMMERCIAL RULES. AND SHALL HEAR AND DETERMINE SAID CONTROVERSY IN ACCORDANCE WITH APPLICABLE LAW, THE INTENTION OF THE PARTIES AS EXPRESSED IN THIS AGREEMENT AND ANY AMENDMENTS THERETO, AND UPON THE EVIDENCE PRODUCED AT AN ARBITRATION HEARING. PRE-ARBITRATION DISCOVERY SHALL BE PERMITTED IN ACCORDANCE WITH THE COMMERCIAL RULES OR STATE LAW APPLICABLE TO ARBITRATION PROCEEDINGS. THE AWARD SHALL BE EXECUTED BY AT LEAST 2 OF THE 3 ARBITRATORS, BE RENDERED WITHIN 30 DAYS AFTER THE CONCLUSION OF THE HEARING, AND MAY INCLUDE ATTORNEYS' FEES AND COSTS TO THE PREVAILING PARTY PER PARAGRAPH 16 HEREOF. JUDGMENT MAY BE ENTERED ON THE AWARD IN ANY COURT OF COMPETENT JURISDICTION NOTWITHSTANDING THE FAILURE OF A PARTY DULY NOTIFIED OF THE ARBITRATION HEARING TO APPEAR THEREAT.

22.2 BUYER'S RESORT TO OR PARTICIPATION IN SUCH ARBITRATION PROCEEDINGS SHALL NOT BAR SUIT IN A COURT OF COMPETENT JURISDICTION BY THE BUYER FOR DAMAGES AND/OR SPECIFIC PERFORMANCE UNLESS AND UNTIL THE ARBITRATION RESULTS IN AN AWARD TO THE SELLER OF LIQUIDATED DAMAGES, IN WHICH EVENT SUCH AWARD SHALL ACT AS A BAR AGAINST ANY ACTION BY BUYER FOR DAMAGES AND/OR SPECIFIC PERFORMANCE.

22.3 NOTICE: BY INITIALING IN THE SPACE BELOW 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 CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW 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 UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. 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.

Buyer's Initials

Seller's Initials

23. Miscellaneous.

23.1 **Binding Effect.** This Agreement shall be binding on the Parties without regard to whether or not paragraphs 21 and 22 are initialed by both of the Parties. Paragraphs 21 and 22 are each incorporated into this Agreement only if initialed by both Parties at the time that the Agreement is executed.

23.2 **Applicable Law.** This Agreement shall be governed by, and paragraph 22.3 is amended to refer to, the laws of the state in which the Property is located. Any litigation or arbitration between the Parties hereto concerning this Agreement shall be initiated in the county in which the Property is located.

23.3 **Time of Essence.** Time is of the essence of this Agreement.

23.4 **Counterparts.** This Agreement may be executed by Buyer and Seller in counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument. Escrow Holder, after verifying that the counterparts are identical except for the signatures, is authorized and instructed to combine the signed signature pages on one of the counterparts, which shall then constitute the Agreement.

23.5 **Waiver of Jury Trial.** THE PARTIES HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING INVOLVING THE PROPERTY OR ARISING OUT OF THIS AGREEMENT.

23.6 **Conflict.** Any conflict between the printed provisions of this Agreement and the typewritten or handwritten provisions shall be controlled

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by the typewritten or handwritten provisions. Seller and Buyer must initial any and all handwritten provisions.

23.7 1031 Exchange. Both Seller and Buyer agree to cooperate with each other in the event that either or both wish to participate in a 1031 exchange. Any party initiating an exchange shall bear all costs of such exchange. The cooperating Party shall not have any liability (special or otherwise) for damages to the exchanging Party in the event that the sale is delayed and/or that the sale otherwise fails to qualify as a 1031 exchange.

23.8 Days. Unless otherwise specifically indicated to the contrary, the word "days" as used in this Agreement shall mean and refer to calendar days.

24. Disclosures Regarding The Nature of a Real Estate Agency Relationship.

24.1 The Parties and Brokers agree that their relationship(s) shall be governed by the principles set forth in the applicable sections of the California Civil Code, as summarized in paragraph 24.2.

24.2 When entering into a discussion with a real estate agent regarding a real estate transaction, a Buyer or Seller should from the outset understand what type of agency relationship or representation it has with the agent or agents in the transaction. Buyer and Seller acknowledge being advised by the Brokers in this transaction, as follows:

(a) **Seller's Agent.** A Seller's agent under a listing agreement with the Seller acts as the agent for the Seller only. A Seller's agent or subagent has the following affirmative obligations: (1) *To the Seller:* A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Seller. (2) *To the Buyer and the Seller:* a. Diligent exercise of reasonable skills and care in performance of the agent's duties. b. A duty of honest and fair dealing and good faith. c. A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the Parties. An agent is not obligated to reveal to either Party any confidential information obtained from the other Party which does not involve the affirmative duties set forth above.

(b) **Buyer's Agent.** A selling agent can, with a Buyer's consent, agree to act as agent for the Buyer only. In these situations, the agent is not the Seller's agent, even if by agreement the agent may receive compensation for services rendered, either in full or in part from the Seller. An agent acting only for a Buyer has the following affirmative obligations. (1) *To the Buyer:* A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Buyer. (2) *To the Buyer and the Seller:* a. Diligent exercise of reasonable skills and care in performance of the agent's duties. b. A duty of honest and fair dealing and good faith. c. A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the Parties. An agent is not obligated to reveal to either Party any confidential information obtained from the other Party which does not involve the affirmative duties set forth above.

(c) **Agent Representing Both Seller and Buyer.** A real estate agent, either acting directly or through one or more associate licenses, can legally be the agent of both the Seller and the Buyer in a transaction, but only with the knowledge and consent of both the Seller and the Buyer. (1) In a dual agency situation, the agent has the following affirmative obligations to both the Seller and the Buyer: a. A fiduciary duty of utmost care, integrity, honesty and loyalty in the dealings with either Seller or the Buyer. b. Other duties to the Seller and the Buyer as stated above in their respective sections (a) or (b) of this paragraph 24.2. (2) In representing both Seller and Buyer, the agent may not without the express permission of the respective Party, disclose to the other Party that the Seller will accept a price less than the listing price or that the Buyer will pay a price greater than the price offered. (3) The above duties of the agent in a real estate transaction do not relieve a Seller or Buyer from the responsibility to protect their own interests. Buyer and Seller should carefully read all agreements to assure that they adequately express their understanding of the transaction. A real estate agent is a person qualified to advise about real estate. If legal or tax advice is desired, consult a competent professional.

(d) **Further Disclosures.** Throughout this transaction Buyer and Seller may receive more than one disclosure, depending upon the number of agents assisting in the transaction. Buyer and Seller should each read its contents each time it is presented, considering the relationship between them and the real estate agent in this transaction and that disclosure. Buyer and Seller each acknowledge receipt of a disclosure of the possibility of multiple representation by the Broker representing that principal. This disclosure may be part of a listing agreement, buyer representation agreement or separate document. Buyer understands that Broker representing Buyer may also represent other potential buyers, who may consider, make offers on or ultimately acquire the Property. Seller understands that Broker representing Seller may also represent other sellers with competing properties that may be of interest to this Buyer. Brokers have no responsibility with respect to any default or breach hereof by either Party. The Parties agree that no lawsuit or other legal proceeding involving any breach of duty, error or omission relating to this transaction may be brought against Broker more than one year after the Date of Agreement and that the liability (including court costs and attorneys' fees), of any Broker with respect to any breach of duty, error or omission relating to this Agreement shall not exceed the fee received by such Broker pursuant to this Agreement; provided, however, that the foregoing limitation on each Broker's liability shall not be applicable to any gross negligence or willful misconduct of such Broker.

24.3 Confidential Information. Buyer and Seller agree to identify to Brokers as "Confidential" any communication or information given Brokers that is considered by such Party to be confidential.

25. Construction of Agreement. In construing this Agreement, all headings and titles are for the convenience of the Parties only and shall not be considered a part of this Agreement. Whenever required by the context, the singular shall include the plural and vice versa. This Agreement shall not be construed as if prepared by one of the Parties, but rather according to its fair meaning as a whole, as if both Parties had prepared it.

26. Additional Provisions.

Additional provisions of this offer, if any, are as follows or are attached hereto by an addendum or addenda consisting of paragraphs _____ through NONE. (If there are no additional provisions write "NONE".)

ATTENTION: NO REPRESENTATION OR RECOMMENDATION IS MADE BY AIR CRE OR BY ANY BROKER AS TO THE LEGAL SUFFICIENCY, LEGAL

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EFFECT, OR TAX CONSEQUENCES OF THIS AGREEMENT OR THE TRANSACTION TO WHICH IT RELATES. THE PARTIES ARE URGED TO:

1. SEEK ADVICE OF COUNSEL AS TO THE LEGAL AND TAX CONSEQUENCES OF THIS AGREEMENT.
2. RETAIN APPROPRIATE CONSULTANTS TO REVIEW AND INVESTIGATE THE CONDITION OF THE PROPERTY. SAID INVESTIGATION SHOULD INCLUDE BUT NOT BE LIMITED TO: THE POSSIBLE PRESENCE OF HAZARDOUS SUBSTANCES, THE ZONING OF THE PROPERTY, THE INTEGRITY AND CONDITION OF ANY STRUCTURES AND OPERATING SYSTEMS, AND THE SUITABILITY OF THE PROPERTY FOR BUYER'S INTENDED USE.

WARNING: IF THE PROPERTY IS LOCATED IN A STATE OTHER THAN CALIFORNIA, CERTAIN PROVISIONS OF THIS AGREEMENT MAY NEED TO BE REVISED TO COMPLY WITH THE LAWS OF THE STATE IN WHICH THE PROPERTY IS LOCATED.

NOTE:

1. THIS FORM IS NOT FOR USE IN CONNECTION WITH THE SALE OF RESIDENTIAL PROPERTY.
2. IF EITHER PARTY IS A CORPORATION, IT IS RECOMMENDED THAT THIS AGREEMENT BE SIGNED BY TWO CORPORATE OFFICERS.

The undersigned Buyer offers and agrees to buy the Property on the terms and conditions stated and acknowledges receipt of a copy hereof.

Date: 04/26/2018

BROKER

Cushman & Wakefield
Attn: Tyson Vallenari
Title: Executive Managing Director
Address: 3255 W. March Lane, Suite 230,
Stockton, CA 95219
Phone: 209-425-3980
Fax: 209-477-7007
Email: tyson.vallenari@cushwake.com
Federal ID No.: _____
Broker/Agent BRE License #: 014800087

BUYER

Sovena USA
By: [Signature]
Name Printed: JORGE POJA
Title: Managing Director
Phone: 315 335 2183
Fax: _____
Email: jpoja@sovenausa.com
By: _____
Name Printed: _____
Title: _____
Phone: _____
Fax: _____
Email: _____
Address: _____
Federal ID No.: _____

27. Acceptance.

27.1 Seller accepts the foregoing offer to purchase the Property and hereby agrees to sell the Property to Buyer on the terms and conditions therein specified.

27.2 In consideration of real estate brokerage service rendered by Brokers, Seller agrees to pay Brokers a real estate Brokerage Fee in a sum equal to 3.24 % of the Purchase Price to be divided between the Brokers as follows: Seller's Broker 50 % and Buyer's Broker 50 %. This Agreement shall serve as an irrevocable instruction to Escrow Holder to pay such Brokerage Fee to Brokers out of the proceeds accruing to the account of Seller at the Closing.

27.3 Seller acknowledges receipt of a copy hereof and authorizes Brokers to deliver a signed copy to Buyer.

NOTE: A PROPERTY INFORMATION SHEET IS REQUIRED TO BE DELIVERED TO BUYER BY SELLER UNDER THIS AGREEMENT.

Date: 4/26/18

BROKER

JLL
Attn: Tim Mustin
Title: Vice President

SELLER

Wootton Group, LLC
By: [Signature]
Name Printed: Mark Slotkin
Title: Managing Member

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Address: 2800 W. March Lane, Suite 310,
Stockton, CA 95219
Phone: 209-390-1687
Fax: _____
Email: tim.mustin@am.jll.com
Federal ID No.: _____
Broker/Agent BRE License #: 01857876

Phone: _____
Fax: _____
Email: _____

By: _____
Name Printed: _____
Title: _____
Phone: _____
Fax: _____
Email: _____

Address: _____
Federal ID No.: _____

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PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is:
506 Santa Monica Blvd., Suite 200, Santa Monica, CA 90401

A true and correct copy of the foregoing document entitled (*specify*): **NOTICE OF MOTION AND MOTION BY DEBTOR: (1) TO APPROVE SALE OF REAL PROPERTY (LOCATED AT 3001 Navone Road, Stockton, CA 95215); (2) FOR AUTHORITY TO SELL REAL PROPERTY FREE AND CLEAR OF ALL LIENS, CLAIMS AND INTERESTS; (3) FOR DETERMINATION OF THE BUYER TO BE A "GOOD FAITH" PURCHASER WITHIN THE MEANING OF BANKRUPTCY CODE § 363(M) PROTECTION; (4) AUTHORIZE PAYMENT OF COMMISSIONS AND OTHER SALE-RELATED EXPENSES; AND (5) WAIVER OF 14-DAY STAY PERIODS SET FORTH IN BANKRUPTCY RULE 6004(H); MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT THEREOF; DECLARATION OF MARK SLOTKIN; DECLARATION OF TROY MCKENNEY** will be served or was served (a) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (b) in the manner stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On (*date*) 5/1/18, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

David I Brownstein david@brownsteinfirm.com
James B Clark jclark@oconnorcochran.com, JBC@lawyer.com
Leslie A Cohen leslie@lesliecohenlaw.com, jaime@lesliecohenlaw.com;allie@lesliecohenlaw.com
Mark T. Domeyer mark.domeyer@lee-associates.com
Michael G Fletcher mfletcher@frandzel.com, sking@frandzel.com
Dare Law dare.law@usdoj.gov, Kenneth.g.lau@usdoj.gov,Alvin.mar@usdoj.gov,ron.maroko@usdoj.gov
United States Trustee (LA) ustpreion16.la.ecf@usdoj.gov
Reed S Waddell rwaddell@frandzel.com, sking@frandzel.com

Gerrick Warrington gwarrington@frandzel.com, dwise@frandzel.com ☐ Service information continued on attached page

2. SERVED BY UNITED STATES MAIL:

On (*date*) 5/1/18, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

☐ Service information continued on attached page

3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL (*state method for each person or entity served*): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on (*date*) _____, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

☐ Service information continued on attached page

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

5/1/18

Date

Allie Kiekhofer

Printed Name

/s/ Allie Kiekhofer

Signature

Hon. Neil Bason
U.S. Bankruptcy Court
255 E. Temple Street
Los Angeles, CA 90012
[No paper copies delivered per
Court's Procedures]

Wooton Group, LLC
4851 S. Alameda Street
2nd Floor
Los Angeles, CA 90058

Office of United States Trustee
915 Wilshire Blvd., Suite 1850
Los Angeles, CA 90017

Aegon Asset Management
4333 Edgewood Rd NE
MD 5443
Cedar Rapids, IA 52499-5221

All Commercial Landscaping Service
5213 East Pine Avenue
Fresno, CA 93727

Citizens Business Bank
c/o Michael Gerard Fletcher, Esq.
Frاندzel Robins Bloom & Csato
1000 Wilshire Blvd., 19th Floor
Los Angeles, CA 90017

Citizens Business Bank
c/o Integrated Lender Services
2411 W. La Palma Avenue, Ste 350-
Bldg. 1
Anaheim, CA 92801

City of Fresno
Fresno Utilities Billing & Collection Div
2600 Fresno St.
Fresno, CA 93721-3609

County of Fresno
Fresno County Tax Collector
2281 Tulare St.
Fresno, CA 93715

ECS Refining, LLC
3001 Navone Road, Unit 2B
Stockton, CA 95215

First American Title Insurance
Company
4380 La Jolla Village Drive, Ste 110
San Diego, CA 92112

GAF Real Properties Inc.
3001 Navone Road, Unit 1A
Stockton, CA 95215

iLovetoCreate
2965 S. Angus Avenue
Fresno, CA 93725

Matson Alarm Co., Inc.
581 W Fallbrook Ave, Suite 100
Fresno, CA 93711

Otham Altman
2951 S. Angus Avenue
Fresno, CA 93725

Otham Altman
2961 S. Angus Avenue
Fresno, CA 93725

PG&E
Box 997300
Sacramento, CA 95899-7300

RoofOptions, LLC
Independent Roof Management
5712 Weatherstone Way
Johnsburg, IL 60051

Shabbir A. Khan
San Joaquin County Tax Collector
P.O. Box 2169
Stockton, CA 95201-2169

Southwest Guarantee Investors, Ltd
Hicks Thomas LLP
C/O Robin L Harrison, Esq
700 Louisiana Street, Suite 2000
Houston, TX 77002

Strategic Emerging Economics
c/o Olympia Financial
16133 Ventura Blvd. #700
Encino, CA 91436

Tal Hassid
1340 E. 6th Street
Los Angeles, CA 90021

The Toro Company
2945 S. Angus Avenue
Fresno, CA 93725

James Clark
O'Connor Cochran, LLP
515 S. Flower Street, 36th Floor
Los Angeles, CA 90071

Tim Mustin
Jones Lang LaSalle Brokerage Inc.
500 Capitol Mall, #2300
Sacramento, CA 95814