

Attorney or Party Name, Address, Telephone & FAX Nos., State Bar No. & Email Address John S. Purcell (SBN 158969) Douglas E. Hewlett, Jr. (SBN 293438) <b>ARENTFOX SCHIFF LLP</b> 555 West Fifth Street, 48 <sup>th</sup> Floor Los Angeles, CA 90013  <input type="checkbox"/> Individual appearing without attorney <input checked="" type="checkbox"/> Attorneys for: Judgment Creditor JL AM PLUS, LLC	FOR COURT USE ONLY
<b>UNITED STATES BANKRUPTCY COURT CENTRAL DISTRICT OF CALIFORNIA – LOS ANGELES DIVISION</b>	
In re: <u>Morad Javedanfar and Yaffa Javedanfar, Debtors</u>  JL AM PLUS, LLC, successor-in-interest to Timothy J. Yoo, Chapter 7 Trustee, Plaintiff and Judgment Creditor;  v.  MBN Real Estate Investments, LLC, Defendant and Judgment Debtor.	ADV. NO.: 2:15-ap-01363-BB  CHAPTER: 7  <div style="text-align: center; padding: 20px;"><b>NOTICE OF SALE OF ESTATE PROPERTY</b></div>
<b>Sale Date:</b> April 2, 2024	<b>Time:</b> 10:00 a.m.
<b>Location:</b> The Front of the Bankruptcy Courthouse, 255 E. Temple St., Los Angeles, CA 90012	

**Type of Sale:**  Public  Private

**Last date to file objections:** April 1, 2024

**Description of property to be sold:**

The 19.8% tenant-in-common interest held by Judgment Debtor MBN Real Estate Investments, LLC in the real property located at common address: 715 E. 14<sup>th</sup> St., Los Angeles, CA 90021.

**Terms and conditions of sale:**

See below: "Bidding Procedures for Auction of MBN's 19.8% Tenant-in-Common Interest in 715 E. 14<sup>th</sup> Street, Los Angeles, CA 90021."

**Proposed sale price:** \$300,000

This form is mandatory. It has been approved for use in the United States Bankruptcy Court for the Central District of California.

**Overbid procedure (if any):**

At least \$1,000 above prior bid; cashier's check required. See below: "Bidding Procedures for Auction of MBN's 19.8% Tenant-in-Common Interest in 715 E. 14<sup>th</sup> Street, Los Angeles, CA 90021."

**If property is to be sold free and clear of liens or other interests, list date, time and location of hearing:**

Post-Auction Hearing: The Court shall hold a hearing on April 17, 2024, at 2:00 p.m., United States Bankruptcy Court for the Central District of California, 255 E. Temple St., Los Angeles, CA 90012, Courtroom 1539, the Honorable Sheri Bluebond presiding, to enter an order finalizing and acknowledging the result and closing of the Auction and sale, and crediting the proceeds of the same against the Judgment.

**Contact person for potential bidders (include name, address, telephone, fax and/or email address):**

Property to be sold at public auction by the United States Marshal Service.

Date: March 29, 2024

**BIDDING PROCEDURES FOR AUCTION OF MBN'S 19.8% TENANT-IN-COMMON  
INTEREST IN 715 E. 14<sup>th</sup> STREET, LOS ANGELES, CA 90021**

Set forth below are the bidding procedures (the “**Bidding Procedures**”) to be employed with respect to the April 2, 2024 auction (“**Auction**”) by the United States Marshal Service (the “**Marshal**”), toward satisfaction of the judgment entered against Defendant MBN Real Estate Investments, LLC (“**MBN**”) on June 21, 2023 [ECF No. 400] (the “**Judgment**”) in the Adversary Proceeding, C.D. Cal. Bankr. Adv. No. 2:15-ap-01363-BB (the “**Adversary Proceeding**”).

**A. PROPERTY INFORMATION**

1. The Auction shall be a sale of the entire right, title, and interest in MBN’s entire 19.8% tenant-in-common interest in the real property whose common address is 715 E. 14<sup>th</sup> Street, Los Angeles, CA 90021 (the “**14<sup>th</sup> Street Property**”) (MBN’s 19.8% interest in the 14<sup>th</sup> Street Property as, the “**14<sup>th</sup> Street Interest**”).
2. True and correct copies of an Excerpt of the Grant Deed and the Legal Description of the 14<sup>th</sup> Street Property is attached hereto as **Exhibit 1** and **Exhibit A** (together), bearing APN# 5132-019-002; 5132-019-003; and 5132-019-004.
3. The Court determined that the 14<sup>th</sup> Street Interest had a value of \$229,680 as of November 13, 2012 (the “**Determined Value**”). ECF No. 333 at 7:9-16, 25:10-14.
4. The Auction is authorized by, is pursuant to, and is in furtherance of:
  - a. The Writ of Execution issued by the Bankruptcy Court in the above-referenced case on June 30, 2023 [ECF No. 441];
  - b. The Notices of Levy served upon MBN and all necessary third parties on November 22 and 24, 2023, and filed in the above-referenced case on December 4, 2023 [ECF Nos. 456, 457, 458, and 459]; and
  - c. The Order for Sale Authorizing and Directing U.S. Marshal to Carry out Execution Sale, issued on March \_\_\_\_, 2024 [ECF No. 469].

**B. STALKING HORSE BID**

JL AM Plus, LLC (the Judgment Creditor in the above-referenced case) (“**JLAMP**”) is deemed to have made a bid to purchase the 14<sup>th</sup> Street Interest via creditor’s bid in the amount of three-hundred thousand dollars (\$300,000), including a corresponding reduction of the judgment debt MBN currently owes JLAMP in the Adversary Proceeding (which totals **\$2,208,199.08** as of April 2, 2024) (the “**Stalking Horse Bid**”). The Stalking Horse Bid is based on the Determined Value and is therefore reasonable and in the interests of justice, in accordance. JLAMP (hereafter referred to as either the “**Proposed Buyer**” or “**JLAMP**”)

**C. AUTHORITY OF THE MARSHAL**

The Marshal shall have the authority to establish these Bidding Procedures and to conduct the Auction and Sale of the 14<sup>th</sup> Street Interest as set forth herein. The Marshal is **ORDERED BY THE COURT** to conduct the Auction and sale of the 14<sup>th</sup> Street Interest as set forth herein.

**D. THE BIDDING PROCESS**

1. **Auction Time; Location; Successful Bid:** The Marshal shall sell the 14<sup>th</sup> Street Interest at public auction to the highest bidder (“**Successful Bidder**”), by cashier’s check made payable to the United States District Court in lawful money of the United States of America, on **April 2, 2024 at 10:00 a.m.** at:
  - a. **THE FRONT OF THE UNITED STATES BANKRUPTCY COURT, 255 E. TEMPLE ST., LOS ANGELES, CA 90012.**
2. **Participation Requirements:** Any person, including any party to the above-captioned case, may purchase the 14<sup>th</sup> Street Interest at the Auction.
3. **JLAMP’s Creditor’s Bid:** JLAMP may purchase the 14<sup>th</sup> Street Interest, if it is the Successful Bidder, via creditors’ bid up to and including the amount of the judgment as of April 2, 2024 (\$2,208,199.08), pursuant to California Code of Civil Procedure (“CCP”) § 701.590(b).
4. **Judgment Lien:** JLAMP’s judgment against MBN is secured by a judgment lien on the 14<sup>th</sup> Street Interest, recorded on August 9, 2023 at the Los Angeles County Recorder’s Office, Recorded Instrument No. 20230524438.
5. **Minimum Sale Price:** The minimum sale price for the 14<sup>th</sup> Street Interest shall be \$300,000.
6. **Overbid Increments:** Any overbids shall exceed any previous bid by at least one thousand dollars (\$1,000), and no overbid shall be received unless it meets or exceeds this minimum overbid amount.
7. **Overbid Period:** All Overbids shall be irrevocable until seven (7) days after the 14<sup>th</sup> Street Interest has been sold pursuant to the closing of the sale approved by the Court in a final, non-appealable order.
8. **Defaulting Bidders:** **PROSPECTIVE BIDDERS SHOULD REFER TO CCP §§ 701.510 TO 701.680, INCLUSIVE, FOR PROVISIONS GOVERNING THE TERMS, CONDITIONS, AND EFFECT OF THE SALE AND THE LIABILITY OF DEFAULTING BIDDERS.**
9. Any sale pursuant to the Auction shall extinguish all liens on the 14<sup>th</sup> Street Interest.
10. **Auctioneer:** The Marshal or its designated agent will conduct the Auction of the 14<sup>th</sup> Street Interest.
11. The Marshal shall have the right to adopt such other rules for the Bidding Process which, in its reasonable judgment, will better promote the goals of the Bidding Process and which are not inconsistent with any of the other provisions hereof, Title 11 of the United States Code, the CCP, or of any Bankruptcy Court order.

**E. SALE CLOSING PROCESS**

1. **Proposed Purchase and Sale:** Any Purchase and Sale of the 14<sup>th</sup> Street Interest shall be executed as follows:
  - a. Any third-party who is the Successful Bidder shall deliver to the Marshal its cashier's check and shall execute all necessary documents to effect its purchase of the 14<sup>th</sup> Street Interest, each on the date of the Auction, in the presence of the Marshal. The Marshal shall accept the third-party's Successful Bid amount toward satisfaction of the judgment in the above-referenced case.
  - b. If MBN is the Successful Bidder, no transfer or purchase agreement shall be necessary, but MBN shall pay its cashier's check to the Marshal on the date of the Auction.
  - c. If JLAMP is the Successful Bidder: JLAMP shall submit to the Marshal on the date of the Auction JLAMP's irrevocable creditor's bid acknowledging the reduction of MBN's judgment debt under the Judgment in the amount of JLAMP's successful bid.
  - d. To the extent any document required to effect the purchase of the Interest(s) cannot be executed at the Auction and in the presence of the Marshal or Court on the date of the Auction, MBN shall execute any and all documents necessary to effect the proposed sale within one (1) day of receipt of such document(s), one (1) day within the end of the Auction, or else the Marshal is authorized to sign any such document(s) on MBN's behalf solely for purposes of effecting the sale and transfer of deed pursuant to the Order of Sale.
2. **Successful Bid & Back-up Bid(s):**
  - a. Upon conclusion of the Auction, the Marshal shall:
    - i. Identify the highest and therefore Successful Bid;
    - ii. Identify the next two highest bids ("**Back-Up Bid(s)**") in order of highest amount first; and
    - iii. After the conclusion of the Auction, the Marshal shall file with the Court a notice identifying the Successful Bid and any Back-Up Bid(s).
  - b. Upon conclusion of the Auction, the Marshal shall:
    - i. Retain for a period of seven (7) days the cashier's checks associated with each Successful and Back-Up Bid.
3. **Failure to Purchase:** If the Successful Bidder fails to cure and/or perfect its purchase of the 14<sup>th</sup> Street Interest within three (3) days of the Auction, the Marshal is authorized to declare the highest Back-Up Bid the new Successful Bid ("**New Successful Bid**") and to effect the sale of the 14<sup>th</sup> Street Interest to the New Successful Bidder without the need for further order of the Court.
4. **Post-Auction Hearing:** The Court shall hold a hearing on April 17, 2024, at 2:00 p.m., United States Bankruptcy Court for the Central District of California, 255 E. Temple St., Los Angeles, CA 90012, Courtroom 1539, the Honorable Sheri Bluebond presiding, to enter an order finalizing and acknowledging the result and

closing of the Auction and sale, and crediting the proceeds of the same against the Judgment.

5. After execution and closing of the purchase by the Successful Bidder or New Successful Bidder, the Marshal shall destroy any remaining cashier's checks by any other Back-Up Bidders.

**F. JLAMP AS PREFERRED BACK-UP BIDDER; OPTION TO ELECT SECOND-BACK UP BIDDER**

In the event JLAMP becomes the Back-Up Bidder or New Successful Bidder—because that Back-Up Bidder is the Judgment Creditor and should not be prejudiced by the Successful Bidder's breach or failure to purchase—JLAMP shall then be entitled to preference (i.e., is the “**Preferred Back-Up Bidder**”). In this event, preference means the Preferred Back-Up Bidder is entitled at its election either to: (a) perfect the Purchase as proposed and for the amount proposed in the Stalking Horse Bid (\$300,000); or (b) allow the otherwise third highest and best offer (the “**Second Back-Up Bid**”) to become the New Successful Bidder.

**G. MBN'S OBLIGATIONS TO COMPLY**

MBN is obligated to act within one (1) business day pursuant to any order, directive, or instruction from the Marshal to effectuate any portion of the sale, purchase, or transfer of deed of the 14<sup>th</sup> Street Property. Any willful failure or refusal by MBN may be grounds for contempt of Court