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| David M. Goodrich<br><i>dgoodrich@go2.law</i><br>Chapter 7 Trustee<br>650 Town Center Drive, Suite 600<br>Costa Mesa, California 92626<br>Telephone: 714.966-1000<br>Facsimile: 714.966-1002<br><br><input type="checkbox"/> <i>Individual appearing without attorney</i><br><input checked="" type="checkbox"/> <i>Chapter 7 Trustee</i> |  |
| <b>UNITED STATES BANKRUPTCY COURT</b><br><b>CENTRAL DISTRICT OF CALIFORNIA – LOS ANGELES DIVISION</b>   |  |
| In re:<br><br>LA COSTA LIVING ESTATES, LLC,<br><br><br><br><br><br><br><br><br><br>Debtor.  | CASE NO.: 2:22-bk-14961-DS<br>CHAPTER: 7<br><br><div style="text-align: center; padding: 10px;"> <b>NOTICE OF SALE OF ESTATE PROPERTY</b> </div> |

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|---|-------------------------|
| <b>Sale Date:</b> May 11, 2023  | <b>Time:</b> 11:30 a.m. |
| <b>Location:</b> Courtroom 1639, United States Bankruptcy Court, Roybal Federal Building, 255 East Temple Street, Los Angeles, California 90012 |                         |

**Type of Sale:**       Public       Private      **Last date to file objections:** April 26, 2023

**Description of property to be sold:** 0 Sky Loft Road, Encinitas, California 92024.

**Terms and conditions of sale:** The Trustee seeks an order approving the sale of real property located at 0 Sky Loft Road, Encinitas, California 92024 on the terms and conditions set forth in a *Vacate Land Purchase Agreement And Joint Escrow Instructions, Seller Counter Offer No. 1 and Seller's Addendum Re Sale Of Real Estate By Chapter 7 Trustee*. The property is being sold on an “as is, where is” basis, with no warranties, recourse, contingencies, or representations of any kind.

**Proposed sale price:**                \$5,000,000.00          

**Overbid procedure:**                Please see attached Overbid Procedures.

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

May 11, 2023

Courtroom 1639

United States Bankruptcy Court, Roybal Federal Building

255 East Temple Street

Los Angeles, California 90012

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

David M. Goodrich

Chapter 7 Trustee

*dgoodrich@go2.law*

650 Town Center Drive, Suite 600

Costa Mesa, CA 92626

Telephone: (714) 966-1000

Facsimile: (714) 966-1002

DATED: April 7, 2023

## **PROPOSED OVERBID PROCEDURES**

### **1. Intent To Bid And Overbid Amount**

Any party wishing to bid on the Property ("Overbidder") shall advise the Trustee of their intent to bid on the Property and the amount of their overbid (which must be at least \$50,000.00 more than the current selling price of \$5,000,000.00) ("Initial Overbid"), by no later than 12:00 p.m., PDT, two business days before the hearing on the motion ("Overbid Deadline"). In his absolute and sole discretion, the Trustee shall have the right to accept additional overbids submitted prior to the hearing but after the Overbid Deadline. Any Overbids subsequent to the Initial Overbid of \$5,050,000.00 will be in additional increments of not less than \$25,000.00.

### **2. Payment Of Deposit**

Any Overbidder shall provide the Trustee with a cashier's check, payable to "David M. Goodrich, Chapter 7 Trustee of the Bankruptcy Estate of La Costa Living Estates, LLC" in the amount of \$150,000.00 ("Deposit"). The Deposit must be delivered so that it is received by the Trustee (whose name and address is set forth on the upper left corner of the first page of this Motion) by no later than the Overbid Deadline.

In the event of any Overbid, the \$150,000.00 deposit from the buyer or successful Overbidder shall serve as the Deposit for the buyer or any successful Overbidder. The party that is not deemed the "Winning Bidder," as that phrase is defined below, shall have its deposit refunded to him/her/it.

### **3. Evidence Of Financial Ability To Perform**

Any Overbidder must provide the Trustee with evidence of the proposed Overbidder's financial ability to pay the full amount of the Overbid so that such evidence is received by the Trustee no later than the Overbid Deadline.

**4. Auction**

All parties who have submitted timely bids and otherwise satisfied the foregoing requirements will be able to participate in an auction to be conducted at the hearing on the Trustee's Sale Motion ("Motion") as is necessary in order to increase their bid. As stated previously, the Initial Overbid will be in the amount of \$5,050,000.00 and any subsequent overbids will be in increments of \$25,000.00.

The Trustee will request authority to sell the Property to the bidder with the highest Overbid ("Winning Bidder"), and for authority to sell the Property to the next highest bidder if the Winning Bidder fails to perform. To be considered the "highest overbid," any overbid must be on the same terms and conditions as the Rental Income Property Purchase Agreement.

Subject to Court approval, the Trustee will allow overbidders to attend the auction by telephone. Overbidders are encouraged, however, to attend the auction in person.

**5. Tender Of Balance Of Purchase Price**

The Winning Bidder's Deposit shall be applied towards the total purchase price. The Winning Bidder must tender the balance of the total purchase price to the Trustee via cashier's check within fourteen (14) calendar days following entry of the order approving the sale of the Property to such buyer. To the extent the Winning Bidder fails to tender the balance of the purchase price by such date, that bidder's entire Deposit shall be non-refundable and forfeited to the Trustee.

**6. Agreement To Terms And Overbid Procedures**

Any Overbidder's tender of the Deposit to the Trustee shall serve as that Overbidder's agreement with these proposed Overbid Procedures and the terms of sale of the Property discussed in the Motion.