

<p>Attorney or Party Name, Address, Telephone &amp; FAX Nos., State Bar No. &amp; Email Address</p> <p>DAVID A. WOOD, #272406 dwood@marshackhays.com LAILA MASUD, #311731 lmasud@marshackhays.com MARSHACK HAYS WOOD LLP 870 Roosevelt Irvine, California 92620 Telephone: (949) 333-7777 Facsimile: (949) 333-7778</p> <p><input type="checkbox"/> Individual appearing without attorney <input checked="" type="checkbox"/> Attorney for: Debtor</p>	<p>FOR COURT USE ONLY</p>
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**UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES DIVISION**

<p>In re:</p> <p>AFFORDABLE HOUSING CHANGEMAKERS LLC,</p> <p style="text-align: right;">Debtor(s).</p>	<p>CASE NO.: 2:23-bk-13668-VZ CHAPTER: 11</p> <p style="text-align: center;"><b>NOTICE OF SALE OF ESTATE PROPERTY</b></p>
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<p><b>Sale Date:</b> 12/12/2023</p>	<p><b>Time:</b> 11:00 am</p>
<p><b>Location:</b> 255 E. Temple Street, Los Angeles, CA 90012; Ctrm 1368</p>	

**Type of Sale:**  Public  Private **Last date to file objections:** 11/28/2022

**Description of property to be sold:** Two adjoining parcels of real property located at 3643 and 3647 Whittier Blvd., Los Angeles, CA 90023 (APN Nos. 5188-008-032 & 5188-008-031).

**Terms and conditions of sale:** The proposed sale Buyer will pay \$2,200,00 to the Estate, sale to be as-is. Deposit: \$44,000.

**Proposed sale price:** \$ 2,200,000.00

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):** The proposed Sale is subject to overbids as set forth in Motion. 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:**

Date: December 12, 2023  
Time: 11:00 a.m.  
Ctrm: 1368  
Address: 255 E. Temple Street  
Los Angeles, CA 90012

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

DAVID A. WOOD, dwood@marshackhays.com  
MATTHEW W. GRIMSHAW, mgrimshaw@marshackhays.com  
LAILA MASUD, lmasud@marshackhays.com  
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870 Roosevelt  
Irvine, California 92620  
Telephone: (949) 333-7777  
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Agent: Steve Dempster, Tel. (747) 444-8382; and email [steve.dempster@harcourtprime.com](mailto:steve.dempster@harcourtprime.com)

Date: 11/21/2023

**i. Overbid Procedures**

Notwithstanding the Bid Procedures Motion<sup>1</sup>, and in order to ensure that the Estate receives the maximum value for the Property, the Debtor will market the Property and conduct a fair and open auction in court (“Court Auction”).

1. Bid Qualification Process. To be eligible to participate in the Court Auction, each offer, solicitation, or proposal (each, a “Bid”), and each entity submitting such a Bid (each, a “Bidder”), must be determined by the Debtor to satisfy each of the following conditions:

a. Form. The Bid must: (i) be in writing; (ii) disclose the identity of the individual or entity that will be bidding for the Property; and (iii) be in the form of a duly authorized, executed, and non-contingent purchase agreement, together with all schedules, exhibits, and related documents thereto, including, but not limited to the bankruptcy addendum (collectively, the “PSA”). A true and correct copy of the PSA is attached to the Motion as Exhibit “1.”

b. Good Faith Deposit. The Bid must be accompanied by certified funds in an amount of Forty-Four Thousand (\$44,000.00). No crypto or other currencies will be accepted.

c. Same or Better Terms. Each Bid must be on terms and conditions that are substantially the same or better than the Buyer, and must not be more burdensome in any material way than the Buyer. The Bid may not contain additional termination rights, covenants, financing or due diligence contingencies, or closing conditions, other than as may be included in the Agreement.

d. “As-Is, Where-Is” Condition; No Warranties. The Bid must acknowledge that the Property is being sold on an “AS IS, WHERE IS” basis without warranties of any kind, expressed or implied, being given by the Debtor or the Estate, concerning the condition of the

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<sup>1</sup> Pursuant to the Bid Procedures Motion, specifically the Modification of the Bidding Procedures clause, “the Debtor may modify the above Bidding Procedures in its reasonable business judgment.” See Dk. No. 37, p. 9, lns. 9-10. Considering the results of the out-of-court Auction, Debtor believes it best to move forward with an in-court Auction.

Property, the quality of the title thereto, or any other matters relating to or concerning the Property. The Bidder must represent and warrant that the Bidder is purchasing the Property as a result of Bidder's investigations and is not buying the Property pursuant to any representation made by any broker, agent, accountant, attorney or employee acting at the direction, or on the behalf of the Debtor or anyone else. The Bidder must acknowledge that he/she/it has inspected the Property, and upon closing of escrow governed by the Purchase Agreement, the Bidder forever waives, for himself/herself or their heirs, successors and assigns, all claims against the Debtor, its attorneys, agents and employees, the Debtor's Estate, Ana Morgan, the Debtor's principal and individually, the Debtor's general counsel, Marshack Hays Wood, LLP, Debtor's agents and employees, arising or which might otherwise arise in the future concerning the Property.

e. Corporate Authority. If the party bidding for the Property is an entity, the Bid must include written evidence reasonably acceptable to the Debtor demonstrating that the Bidder has full power and authority (including full corporate or other organizational power and authority) to consummate the proposed transaction contemplated by the Bid.

f. Proof of Financial Ability to Perform. The Bid must provide evidence of having sufficient specifically committed funds in U.S Dollars to complete the transaction and such other documentation relevant to the Bidder's ability to qualify as the purchaser of Property and ability to close the sale and immediately and unconditionally pay the winning bid purchase price at close of escrow. To the extent that the Bid is not accompanied by evidence of the Bidder's capacity to consummate the transaction contemplated by the Bid with unrestricted and fully available cash, the Bid must include written evidence of a firm, irrevocable commitment for financing or other evidence of ability to consummate evidence of ability to consummate the proposed transaction, documented to the satisfaction of the Debtor, by the submission of recent financial documentation (audited, if available), that will allow the Debtor to make a reasonable determination as to the financial and other capabilities of the Bidder to close escrow on the Property.

g. Irrevocable. The Bid must be irrevocable through the Auction; provided however, that if such Bid is accepted as the Successful Bid or Backup Bid (each defined below), such Bid shall continue to remain irrevocable, subject to the terms and conditions of the Bidding Procedures.

h. Amount of Bid. The Debtor will determine the amount of each increasing bid, at the Court Auction. But, the initial bid, pursuant to the Auction Agreement will begin at \$2,280,000 (or \$1,140,000 each parcel).

i. Qualified Bidder Determination: The Debtor will review each Bid received from a Bidder to determine whether it meets the requirements set forth herein. A Bid received from a Bidder before the Bid Deadline that meets the above requirements shall constitute a “Qualified Bid,” and such Bidder shall constitute a “Qualified Bidder.”

j. Auction. The Court Auction shall be held on December 12, 2023 at 11:00 a.m. at the address located on the caption page of this pleading. Only Qualified Bidders (or their qualified representatives) will be entitled to make any Bids at the Auction, or such later time or other place or manner as the Debtor shall notify all Qualified Bidders.

k. Break-Up. There is no break-up fee associated with the sale of the Property.

l. Consent to Jurisdiction. All Qualified Bidders at the Court Auction shall be deemed to have consented to the core jurisdiction of the Bankruptcy Court and to have waived any right to a jury trial in connection with any disputes related to the Auction, and the construction and enforcement of the Qualified Bidder’s proposed purchase agreement.

m. Successful Bidder. The Auction shall continue until the Debtor determines in its reasonable business judgment that there is a highest or otherwise best Qualified Bid at the Auction (a “Successful Bid,” and each Bidder submitting such Successful Bid, a “Successful Bidder”). The Court Auction shall not close unless and until all Bidders who have submitted Qualified Bids have been given a reasonable opportunity, as determined by the Debtor, to submit an Overbid at the Court Auction to the then-existing Overbids.

n. First Backup Bidder. If the entity/individual with the second highest or otherwise best Qualified Bid at the Court Auction, as determined by the Debtor, in the exercise of its business judgment, desires to be designated as the first backup bidder (“First Backup Bidder”), the Debtor will do so. The First Backup Bidder shall be required to keep its initial Bid (or, if the First Backup Bidder submitted one or more Overbids at the Court Auction, its final Overbid) (“First Backup Bid”) open and irrevocable until the close of escrow on the Sale of the Property with the Successful Bidder. In the event the Successful Bidder fails to close within twenty-one (21) calendar days after entry of an order of the Court confirming the sale or other the time parameters approved by the Debtor and the Court, if necessary (“Closing Deadline”), the Debtor shall retain the Successful Bidder’s Deposit and will be released from its obligation to sell the Property to the Successful Bidder. The Debtor shall then proceed to consummate the First Backup Bid with the First Backup Bidder.

o. Second Backup Bidder. The entity/individual with the third highest or otherwise best Qualified Bid at the Court Auction, as determined by the Debtor, in the exercise of its business judgment, will be designated as the second backup bidder (“Second Backup Bidder”). The Second Backup Bidder shall be required to keep its initial Bid (or, if the Second Backup Bidder submitted one or more Overbids at the Auction, its final Overbid) (“Second Backup Bid”) open and irrevocable until the close of escrow on the Sale of the Property with the Successful Bidder or, in the event the Successful Bidder failed to close on the sale of the Property, the First Backup Bidder. In the event the First Backup Bidder fails to close on the sale of the Property within twenty-one (21) calendar days after the Closing Deadline or other the time parameters approved by the Debtor and the Court, if necessary, the Debtor shall retain the First Backup Bidder’s Deposit and will be released from its obligation to sell the Property to the First Backup Bidder. The Debtor shall proceed to consummate the Second Backup Bid with the Second Backup Bidder.

2. Modification of the Bidding Procedures. The Debtor may modify the above Bidding Procedures in its reasonable business judgment.

3. Return of Good Faith Deposit. The Good Faith Deposits of the Qualified

Bidders shall be held by the Debtor. The Good Faith Deposit of any Qualified Bidder that is neither the Successful Bidder nor the First Backup Bidder nor the Second Backup Bidder shall be returned to such Qualified Bidder not later than two (2) business days after the date of the Court Auction. If the Successful Bidder timely closes escrow on the Property, its Good Faith Deposit shall be credited towards its purchase price. The Good Faith Deposit of the First Backup Bidder and Second Backup Bidder shall be returned to the First Backup Bidder and Second Backup Bidder twenty-four (24) hours after the Successful Bidder closes escrow on the Property. In the event the Successful Bidder fails to close on the sale of the Property within the time parameters approved by the Court, the Good Faith Deposit of the First Backup Bidder shall be credited towards its purchase price. The Good Faith Deposit of the Second Backup Bidder shall be returned to the Second Backup Bidder twenty-four (24) hours after the First Backup Bidder closes escrow on the Property. In the event the First Backup Bidder fails to close on the sale of the Property within the time parameters approved by the Court, the Good Faith Deposit of the Second Backup Bidder shall be credited towards its purchase price. The return of the Good Faith Deposit of the Successful Bidder or the First Backup Bidder who fails to close the transaction shall be determined by the terms of the Agreement.

4. Reservation of Rights. The Debtor reserves its right, in the exercise of its fiduciary obligations, after consultation with its professionals, and in the exercise of its reasonable business judgment, to: (1) determine which Qualified Bid(s), if any, are the highest or otherwise best offer for the Property, as applicable; (b) reject, at any time, any bid that is (i) inadequate or insufficient, (ii) not in conformity with the requirements of the Bankruptcy Code, the Bidding Procedures, the Bidding Procedures Order or any other orders applicable to the Estate or the terms and conditions of the proposed Sale, or (iii) contrary to the best interest of the Estate; and (c) modify the Bidding Procedures, including, without limitation, by (1) extending any of the deadlines set forth above for the Bidding Process, (2) modifying bidding increments, (3) adjourning the Court Auction without prior notice, (4) withdrawing from the Court Auction the Property, at any time prior to or during the Court Auction, and/or (5)

canceling the Court Auction, and rejecting all Qualified Bids, if, in the Debtor's reasonable business judgment, and in consultation with its counsel, no such bid is for a fair and adequate price.

On the basis of the foregoing considerations, the Debtor believes that the proposed sale is fair and reasonable and will ensure that the Estate realizes the highest possible sales price for the Property.