NOTICE OF AUCTION AND SALE

587 VILLA GROVE, BIG BEAR CITY, CA 92314

If you are interested in purchasing the residential real property located at 587 Villa Grove, Big Bear City, CA 92314, below is important information regarding the auction at which you may bid on the property.

In order to bid at the auction, you must prequalify by Noon on May 20, 2021.

Sale Hearing & Auction. Prequalified bidders may participate at the sale hearing and auction to be held:

May 24, 2021, at ***10:30 a.m.***

United States Bankruptcy Court[1]
325 West "F" Street, San Diego, California, Department Five (5), Room 318
Honorable Christopher B. Latham, Bankruptcy Judge, presiding.

Leslie T. Gladstone, the chapter 7 trustee (the "**Trustee**"), has received an offer to purchase the property for $525,000 (the "**Proposed Sale**"). At the sale hearing, if a prequalified potential overbidder is present and interested in bidding, the Trustee will hold an auction. At the auction, the successful bidder must agree to the terms of the Proposed Sale, as modified by the Overbid Agreement, with only the amount of the purchase price to be determined at auction.

Below are relevant details regarding the Proposed Sale and the Overbid Agreement:

- Current Purchase Price: $525,000, payable as follows: $14,000 deposit, due by the **Prequalification Date** (described below), and the remaining balance of the Purchase Price due at Closing. If an auction is held, **the purchase price for the Overbid Agreement will be determined by the Court**. The Trustee has recommended that the initial overbid price at the auction be $535,000 and each subsequent incremental bid be at least $2,000 over the previous bid.

- "As-Is, Where-Is": The Property will be sold is as-is, where-is, no representations, no warranties.

- Closing Date: On or before 15 days after entry of the Bankruptcy Court Order approving the sale.

- The Property will be sold free and clear of all liens, claims, encumbrances, or other interests.

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[1] Due to the coronavirus health crises and in accordance with Administrative Order No. 20-1, all hearings in the Bankruptcy Court are currently conducted telephonically unless otherwise ordered by the Court. As it is not known at this time whether Administrative Order No. 20-1 will continue to be in effect at the time of the Sale Hearing, interested parties and overbidders may contact counsel for the Trustee regarding instructions to attend the Sale Hearing telephonically or in person. Please contact Christin A. Batt at ChristinB@flgsd.com or (858) 454-9887 regarding such instructions.

- All contingencies are waived, including financing.

- Buyer Breach: If the Buyer or the Successful Bidder (defined below) fails to close, such buyer will forfeit its deposit as liquidated damages.

How to Prequalify and Bid. If you are interested in bidding on the property at the auction:

- You must prequalify to bid by delivering the following items to the Trustee not later than *Noon* on ***May 20, 2021*** (the "**Prequalification Deadline**"):

    1. Deposit, by cashier's check or wire transfer, in the amount of $14,000, payable to Estate of Ouellette, Leslie T. Gladstone, Trustee, and
    2. Evidence that you have the wherewithal to close the transaction.

- You must attend the sale hearing in person.[2]

- At the sale hearing, you must execute an Overbid Agreement with only the amount of the final overbid Purchase Price to be filled in, which amount shall be agreed to by the successful overbidder at the sale hearing.[3] This Overbid Agreement will be similar to the Purchase Agreement in the Proposed Sale and is not negotiable.

Auction. The auction will continue until the Court determines the highest and best bid (the "**Successful Bid**" from the "**Successful Bidder**") and the second-highest bid (the "**Back-Up Bid**" from the "**Back-Up Bidder**"). The Successful Bid will be irrevocable. The Back-Up Bid will be irrevocable until the later of (i) two days after the order approving the Successful Bid becomes final and (ii) the closing of the sale to the Successful Bidder. Once the Back-Up Bid is no longer irrevocable, the Trustee will promptly refund the Back-Up Bidder's deposit.

Deposits from all prequalified bidders, other than the Successful Bidder and the Back-Up Bidder, will be promptly refunded.

If, following entry of the order authorizing this sale, the Successful Bidder fails to consummate the sale because of a breach or failure to perform on the part of the Successful Bidder, the Back-Up Bid will be deemed to be the new Successful Bid and the Trustee will be authorized, but not required, to consummate the sale with the Back-Up Bidder without further order of the Court. In the event of a breach or failure to perform by the Successful Bidder, the Successful Bidder will forfeit its deposit to the estate.

Closing. At closing, the Successful Bidder will receive a Quitclaim Deed to the property and a Bankruptcy Court Order approving the sale free and clear of liens.

Overbid Agreement and Sale Motion. If you would like a copy of the Overbid Agreement and the Sale Motion, please contact:

Kenneth "Brad" Adkins, Realtor
Mobile: 562-652-5613
bradadkinsrealtor@gmail.com

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[2] See footnote 1 above.

[3] If the Sale Hearing is conducted telephonically, the successful overbidder will be required to execute and deliver the overbid agreement to the Trustee within 24 hours after the Sale Hearing.