

ROBB EVANS
Receiver of
D.W. Heath & Associates, Inc.;
PCM Fixed Income Fund I, LLC;
Private Capital Management, Inc.;
Private Collateral Management, Inc.
and the Schlarmann Interests

11450 Sheldon Street
Sun Valley, California 91352-1121
Telephone No.: (818) 768-8100
Facsimile No.: (818) 768-8802

Securities and Exchange Commission v. D. W. Heath & Associates Inc., et al.
CASE No. CV-04-02949 JFW (Ex)

**[Proposed] Order Granting Motion for Order Approving Sale of Bear
Manor Property by Private Sale Free and Clear of Leins and for
Modification of Applicable Sale Procedures of 28 U.S.C. Section 2001(b)
in Connection Therewith**

Lodged May 6, 2005

1 Gary Owen Caris (State Bar No. 088918)
Lesley Anne Hawes (State Bar No. 117101)
2 FRANDZEL ROBINS BLOOM & CSATO, L.C.
6500 Wilshire Boulevard
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6
7 Attorneys for Permanent Receiver,
ROBB EVANS

8 **UNITED STATES DISTRICT COURT**

9 **CENTRAL DISTRICT OF CALIFORNIA, WESTERN DIVISION**

10
11 **SECURITIES AND EXCHANGE
COMMISSION,**

12 Plaintiff,

13
14 **D. W. HEATH & ASSOCIATES, INC.,
etc., et al.,**

15
16 Defendants.

CASE NO. CV 04-02949 JFW (Ex)

**[PROPOSED] ORDER GRANTING
MOTION FOR ORDER
APPROVING SALE OF BEAR
MANOR PROPERTY BY PRIVATE
SALE FREE AND CLEAR OF
LIENS AND FOR MODIFICATION
OF APPLICABLE SALE
PROCEDURES OF 28 U.S.C.
SECTION 2001(b) IN
CONNECTION THEREWITH**

DATE: [To Be Set – Filed With
TIME: Ex Parte Application for
PLACE: Order Shortening Time]

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21 The matter of the Motion for Order Approving Sale of Bear Manor Property
22 by Private Sale Free and Clear of Liens and for Modification of Applicable Sale
23 Procedures of 28 U.S.C. section 2001(b) in Connection Therewith ("Motion")
24 brought by Robb Evans as Permanent Receiver for D. W. Heath & Associates, Inc.,
25 Private Capital Management, Inc., Private Collateral Management, Inc., PCM Fixed
26 Income Fund I and their subsidiaries and affiliates and as Receiver over the
27 Schlarmann Interests ("Receiver") came on for hearing pursuant to the Court's Order
28 Shortening Time. Gary Owen Caris of Frandzel Robins Bloom & Csato, L.C.

LOGGED

2005 MAY -6 PM 12:36
FEDERAL U.S. DISTRICT COURT
CENTRAL DISTRICT OF CALIF.
LOS ANGELES

1 appeared on behalf of the Receiver, and other appearances, if any, were as noted in
2 the record. The Court having reviewed the moving papers, and no opposition
3 having been filed, the Court having found that notice was duly given in accordance
4 with the procedures established for this Receivership and the Court having heard the
5 arguments of counsel, and good cause appearing therefor,

6 IT IS ORDERED that:

7 1. The Receiver's proposed sale of the Bear Manor Property located at
8 20393 Big Bear Blvd., Big Bear Lake, California and legally described in Exhibit A
9 hereto ("Bear Manor Property") is hereby approved;

10 2. The Receiver is authorized to sell the Bear Manor Property to Brandon
11 Schlarmann as Buyer ("Buyer") pursuant to the terms and conditions of the Purchase
12 and Sale Agreement attached as Exhibit 1 to the Motion (the "Sale Agreement");

13 3. The Receiver is authorized to take all steps necessary or convenient to
14 effectuate the sale in accordance with the terms of the Sale Agreement, including
15 executing such deeds and instruments and paying such real property tax liens and
16 ordinary and customary escrow, title insurance and closing expenses as provided in
17 the Sale Agreement;

18 4. The Bear Manor Property shall be sold free and clear of liens, except
19 that the lien for unpaid real property taxes shall be paid in connection with the sale
20 from the sale proceeds;

21 5. The sale procedures of 28 U.S.C. section 2001(b) shall be modified to
22 authorize the sale of the Bear Manor Property in accordance with the procedures for
23 sale set forth in the Motion and the Sale Agreement.

24
25 Dated:

26 _____
JOHN F. WALTER, United States
District Judge

EXHIBIT A

MAY-5-2005 09:14 FROM:
MAY-04-2005 06:13 PM ABR INC

TO:17752428249
909866688044

P.9
P.09

EXHIBIT A

Lot 1 of Tract 2678 per Plat recorded in Book 37 Page 94 of Maps, Records of San Bernardino County, California.

Common Address: 40393 Big Bear Blvd., Big Bear Lake, California 92315
Assessor's Parcels 0308-083-05-0000 and 0308-083-06-0000

FRANDZEL ROBINS BLOOM & CSATO, L.C.
6500 WILSHIRE BOULEVARD, 17TH FLOOR
LOS ANGELES, CALIFORNIA 90048-4920
(323) 852-1000

PROOF OF SERVICE

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I, the undersigned, declare and certify as follows:

I am over the age of eighteen years, not a party to the within action and employed in the County of Los Angeles, State of California. I am employed in the office of FRANDZEL ROBINS BLOOM & CSATO, L.C., members of the Bar of the above-entitled Court, and I made the service referred to below at their direction. My business address is 6500 Wilshire Boulevard, Seventeenth Floor, Los Angeles, California 90048-4920.

On May 6, 2005, I served true copy(ies) of the **[PROPOSED] ORDER GRANTING MOTION FOR ORDER APPROVING SALE OF BEAR MANOR PROPERTY BY PRIVATE SALE FREE AND CLEAR OF LIENS AND FOR MODIFICATION OF APPLICABLE SALE PROCEDURES OF 28 U.S.C. SECTION 2001(B) IN CONNECTION THEREWITH**, the original(s) of which is(are) affixed hereto, to the party(ies) listed on the attached service list.

- BY MAIL:** I am "readily familiar" with the firm's practice of collection and processing correspondence for mailing with the United States Postal Service. Under that practice, it would be deposited with the United States Postal Service that same day in the ordinary course of business. Such document(s) were placed in envelopes addressed to the person(s) served hereunder for collection and mailing with postage thereon fully prepaid at Los Angeles, California, on that same day following ordinary business practices.
- BY FACSIMILE:** At approximately _____, I caused said document(s) to be transmitted by facsimile. The telephone number of the sending facsimile machine was (323) 651-2577. The name(s) and facsimile machine telephone number(s) of the person(s) served are set forth in the service list. The document was transmitted by facsimile transmission, and the sending facsimile machine properly issued a transmission report confirming that the transmission was complete and without error.
- BY OVERNIGHT DELIVERY:** I deposited such document(s) in a box or other facility regularly maintained by the overnight service carrier, or delivered such document(s) to a courier or driver authorized by the overnight service carrier to receive documents, in an envelope or package designated by the overnight service carrier with delivery fees paid or provided for, addressed to the person(s) served hereunder.
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- BY PERSONAL SERVICE:** I personally delivered such document(s) to the person(s) served hereunder.

I certify under penalty of perjury under the laws of the State of California and the United States of America that the foregoing is true and correct.

Executed on May 6, 2005, at Los Angeles, California.



BONITA ZEIER

SERVICE LIST

Securities and Exchange Commission v. D.W. Heath & Associates, Inc., et al.
U.S.D.C. Case No. CV 04-02949

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- 6 Securities and Exchange Commission
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- 25 R. L. Goodrich, Chapter 7 Trustee Bankruptcy Trustee
- 26 3600 Lime Street, Suite 416
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- 31 Jeffrey W. Broker, Esq. Attorney for Debtor
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- 38 Reid & Hellyer
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1	Mr. Daniel Heath Booking No. 200427981	Defendant
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15	Gina Filippone Attorney at Law	Attorney for Denis Timothy O'Brien
16	Inns of Court 3877 12th Street Riverside, CA 92501	
17	Tel: (951) 274-0009 Fax: (951) 788-9040	
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19	Jeff Van Wagenen Attorney at Law	Attorney for John Heath
20	4129 Main St., Suite 200 Riverside, CA 92501	
21	Tel: (909) 369-3555 Fax: (909) 359-3777	
22	Amy Powers, Esq. Andy Isidore, Associate General Counsel	Attorney for Quizno's
23	The Quizno's Master, LLC 1475 Lawrence Street, Suite 400	
24	Denver, CO 80202 Tel: (720) 931-2224	
25	Fax: (720) 932-0317	
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LOS ANGELES, CALIFORNIA 90048-4920
(323) 852-1000

PROOF OF SERVICE

I, the undersigned, declare and certify as follows:

I am over the age of eighteen years, not a party to the within action and employed in the County of Los Angeles, State of California. I am employed in the office of FRANZEL ROBINS BLOOM & CSATO, L.C., members of the Bar of the above-entitled Court, and I made the service referred to below at their direction. My business address is 6500 Wilshire Boulevard, Seventeenth Floor, Los Angeles, California 90048-4920.

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I certify under penalty of perjury under the laws of the State of California and the United States of America that the foregoing is true and correct.

Executed on May 6, 2005, at Los Angeles, California.


BONITA ZEIER

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Brandon Schlarmann
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