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**UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA**

SECURITIES AND EXCHANGE
COMMISSION,
Plaintiff,

vs.

EDWIN YOSHIHIRO FUJINAGA and
MRI INTERNATIONAL, INC.,
Defendants,

and

CSA SERVICE CENTER, LLC
THE FACTORING COMPANY,
JUNE FUJINAGA, and
THE YUNJU TRUST,
Relief Defendants.

Case No.: 2:13-cv-01658-JCM-CWH

ORDER

- (1) AUTHORIZING, APPROVING AND CONFIRMING THE SALE OF REAL AND PERSONAL PROPERTY LOCATED AT 9009 GREENSBORO LANE;**
- (2) APPROVING SALE AND OVERBID PROCEDURES; AND**
- (3) GRANTING RELIEF FROM LOCAL RULE 66-5 PERTAINING TO NOTICE TO CREDITORS**

Presently before the court is Robb Evans & Associates LLC’s (the “Receiver”), the court-appointed receiver, *Notice of Motion and Opportunity to Object to the Receiver’s Motion for an Order (1) Authorizing, Approving and Confirming the Sale of Real and Personal Property Located at 9009 Greensboro Lane (2) Approving Sale and Overbid Procedures (3) Granting Relief from Local Rule 66-5 Pertaining to Notice to Creditors* (the “Motion”) (ECF No. 488), which Motion is supported by the Declaration of M. Val Miller, Executive Vice President and member of the Receiver, and the authenticated documents attached thereto (the “Miller Declaration”) (ECF No. 489).

The Receiver caused the Motion and the Miller Declaration to be served on all parties who have requested notice, the affected lienholders, and on all known non-consumer creditors of the estate and on known taxing authorities with a potential claim in the receivership estate (but not on the tens of thousands of potential foreign creditors in accord with the Receiver’s request

1 for a waiver of in the Motion under LCR 66-5¹) (the “Notice Parties”), as evidenced by the
2 Certificate of Service (ECF No. 490) on the following dates via the following means:

- 3 (a) on March 16, 2018, through the Court’s ECF system to all
4 parties registered to receive notices;
5 (b) on March 16, 2018, by direct email to all parties having
6 requested service by direct email; and
7 (c) on March 19, 2018, by first class U.S. mail to each of the
8 74 parties listed on Exhibit 1 to the Certificate of Service.

9 Neither the Defendants nor any other party has filed any opposition, objection, and/or
10 points and authorities in response to the Motion and the deadline to do so has passed.²
11 Nevertheless, the court reviewed the substantive merits and grants the Receiver’s Motion in full.

12 A summary of the relief requested in the Receiver’s Motion, all of which is granted by
13 this Order includes, without limitation:

- 14 1. The Receiver’s Motion, and all relief sought therein, is hereby GRANTED in its
15 entirety;
16 2. The Court approves the proposed sale and overbid procedures for the residential
17 real property commonly referred to as 9009 Greensboro Lane, Las Vegas, Nevada, and identified
18 by the Clark County Assessor as parcel no. 138-29-110-019 (the “Real Property”). The Real
19 Property is situated on a 36,590 sq. ft. lot with golf course frontage within a guard-gated
20 community, improved by a custom residence with 7,606 sq. ft. of living space, which Real
21 Property is owned by Relief Defendant CSA Service Center, LLC. The court authorizes and
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24 ¹ The term “LCR” means and refers to the Local Rules of Civil Practice for the United States
25 District Court for the District of Nevada. A copy of the LCR may be downloaded from
26 <http://www.uscourts.gov/rules-policies/current-rules-practice-procedure/federal-rules-civil-procedure>, last checked March 15, 2018.

27 ² Any response by the ECF registrants was due by or before March 30, 2018, and any response
28 by the parties who were served via U.S. mail was due by or before April 5, 2018. LCR 7-2(b),
79-1, and Fed. R. Civ. P. 6(d).

1 confirms the sale of the Real Property and the Personal Property³ located therein, on an “as is”
2 basis more fully described in the Residential Purchase Agreement (the “Purchase and Sale
3 Agreement”) entered into on March 8, 2018 by private sale either (a) to Bart Eric Wilson and
4 Tonya Smith (collectively, the “Proposed Buyer”), an arm’s length buyer, for a purchase price of
5 \$2,300,000.00 pursuant to the terms, conditions, and waivers set forth in the Purchase and Sale
6 Agreement, an authenticated copy of which is attached as Exhibit 1 to the Miller Declaration, or
7 (b) to such higher qualified overbidder who timely submits the highest qualified overbid session,
8 if any, to be conducted under the terms and conditions set forth hereinbelow;

9 3. The sale of the Property shall be subject to the following overbid procedures,
10 which the Court hereby approves:

11 a. The overbid session shall be conducted at the Receiver’s office location at
12 Robb Evans & Associates LLC, 3613 S. Eastern Ave. Suite 101, Las Vegas,
13 Nevada 89169;

14 b. The Receiver shall cause to be published, a notice of the proposed sale of
15 the Property to a qualified bidder at the overbid session, which notice shall state
16 the date, time and place of the overbid session, the requirement for pre-
17 qualification by overbidders and the terms and conditions of the overbidding and
18 sale of the Property, as described below (the “Overbid Notice”). The Receiver
19 will cause the Overbid Notice to be published in the Las Vegas Review Journal at
20 least one time at least ten days prior to the scheduled overbid session date;

21 c. Any person wishing to overbid at the overbid session shall be required to
22 pre-qualify with the Receiver no later than 10:00 a.m. two business days
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24 ³ The term “Personal Property” as used herein shall mean the personal property located at the
25 Real Property. Most of the items of significant value have already been recovered and are in the
26 possession of the Receiver. The Receiver has negotiated a higher sale price for the Real Property
27 based upon the inclusion of the Personal Property, and desires to sell the remaining Personal
28 Property to the Purchaser as part of the Purchase and Sale Agreement given the costs of moving,
storing, selling, and the likely delay to the current sale, the terms of which are favorable to the
estate. The Personal Property consists primarily of household goods, home furnishings, and wall
hangings (the term Personal Property, together with the Real Property, shall be referred to herein
as the “Property”).

1 preceding the close of the 10-day overbid session period by delivering to the
2 Receiver's office located at 3613 S. Eastern Ave., Suite 101, Las Vegas, Nevada
3 89169: (a) notice in writing of the prospective overbidder's intent to overbid
4 together with (b) written verification from a financial institution demonstrating to
5 the Receiver's satisfaction, in the Receiver's sole opinion and judgment, the
6 prospective overbidder's ability to complete and close a purchase of the Real
7 Property through sufficient funds or credit facilities within 10 days after the
8 Receiver completes all requirements of the Court Order granting this Motion, and
9 (c) the tender of a cashier's check, wire transfer, or other verified funds, in the
10 sum of \$50,000.00 payable to "Robb Evans & Associates LLC, Receiver of MRI
11 International, Inc. et al.", at least 2 days prior to the close of the 10-day period,
12 which deposit shall become non-refundable upon acceptance of the overbidder's
13 overbid at the conclusion of the overbid session;

14 d. Overbidders bidding at the overbid session shall be deemed to have
15 completed all inspections of the Property and will be deemed to have waived
16 and/or removed all contingencies in favor of the buyer under the Purchase and
17 Sale Agreement, including, without limitation any contingency pertaining to
18 inspection of title, and will be required to complete a cash purchase of the
19 Property and close escrow for the purchase of the Property within 10 days after
20 the Receiver completes all requirements of the Court Order granting this Motion.
21 The successful overbidder will be required to execute a purchase agreement for
22 the Real Property substantially in the form of the Purchase and Sale Agreement
23 together with a waiver of all buyer contingencies promptly after conclusion of the
24 overbid session; and

25 e. The initial overbid shall be in an amount not less than \$2,530,000.00 (an
26 amount that is \$230,000.00, or 10%, higher than the purchase price under the
27 Purchase and Sale Agreement), and all subsequent overbids shall be in an amount
28 at least \$25,000.00 higher than the preceding bid.

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4. As requested in the Receiver’s Motion, the Court further orders:
- a. That pursuant to the Purchase and Sale Agreement and the Listing Agreement⁴ with Broker, a sales commission in the amount of 6% of the purchase price, or if a higher overbid is received and accepted at the overbid session, by the winning overbidder, shall be paid from the proceeds of the sale of the Real Property at close of escrow and shall be paid to Broker as listing agent under the Listing Agreement and a cooperating broker representing the buyer, if any, under the terms of the Listing Agreement;
 - b. That the Receiver is authorized to execute all documents and instruments necessary or convenient to complete, implement, effectuate and close the sale of the Property, including but not limited to, releasing the MRI Deed of Trust⁵ currently encumbering the Real Property, and executing the deed conveying title to the Real Property;
 - c. That the Receiver is authorized to permit and/or cause to be paid from the proceeds of the sale, all ordinary and customary closing costs, all costs and expenses required to be paid under the terms of the Purchase and Sale Agreement by the seller, all commissions to be paid by seller as provided for in the Purchase and Sale Agreement, the Listing Agreement, and all Real Property liens and Real Property taxes due up to the date of closing;
 - d. That pursuant to the Purchase and Sale Agreement and the Receiver's Listing Agreement with Broker, a sales commission in the amount of 6% of the purchase price paid for the Real Property plus a flat fee of \$495, or if a higher overbid is received and accepted at the overbid session, by the winning

⁴ Capitalized terms not otherwise defined herein shall have the meanings set forth in the Motion.

⁵ As with several other estate properties, Defendant MRI International, Inc. recorded a deed of trust against the Greensboro Property in the amount of \$190 million, which deed of trust is recorded as Instrument No. 201108010002632, Official Records of Clark County, and further described in the preliminary Title Report, exception 14, Exhibit 4 to the Miller Declaration.

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overbidder, which commission shall be shared between the seller’s Broker and the Purchaser’s broker, if any;

e. The Court finds that the Purchase and Sale Agreement provides a very favorable sale of the Property to a well-qualified, independent all cash buyer on an “as is, where is” basis, without any warranties or representations from the Receiver or this estate;

f. The Court finds that, based upon the representations set forth in the Motion, as verified by the Miller Declaration ¶ 7, (i) the three independent appraisers identified in the Motion are appointed by the Court as qualified disinterested appraisers in satisfaction of the provisions of 28 U.S.C. § 2001, and (ii) the purchase price under the Purchase and Sale Agreement is well in excess of the two-thirds minimum of the average of the three appraisals obtained by the Receiver for the Real Property which is the minimum threshold price required to meet the terms of 28 U.S.C. § 2001;

g. The Court finds that the Receiver has complied with all applicable statutory and legal authorities, including the provisions of 28 U.S.C §§ 2001 et seq., required to approve the Receiver’s sale of the Real Property under the terms and conditions set forth in this Order; and

h. The Court finds that the Receiver has satisfied the statutory requirements of 28 U.S.C. §§ 2001 and 2004 with respect to the Personal Property. The court finds and authorizes the Receiver’s proposed disposition of the Personal Property is in the best interests of the estate.

5. The Receiver shall hold the seller’s net proceeds from the sale of the Property, whether by auction or by private sale, in the estate’s general settlement fund until further order of the court.

6. The sale of the Property by private sale to the Proposed Buyer under the Residential Purchase Agreement, or to the person who submits the highest qualified overbid at the overbid session to be conducted pursuant to the foregoing procedures, is hereby confirmed

1 without further notice or hearing and without the necessity of any subsequent motion for
2 confirmation of the sale.

3 7. The Receiver is authorized to execute all documents and instruments necessary or
4 convenient to complete, implement, effectuate and close the sale of the Property to the purchaser,
5 including but not limited to a deed conveying title to the Property free and clear of all existing
6 liens, claims, accrued and unpaid taxes and/or outstanding utility charges as of the closing; and

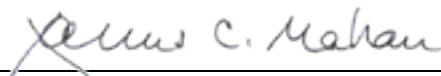
7 8. The sale of the Property on the terms, conditions, and procedures summarized
8 herein and set forth in more detail in the Motion, are hereby fully approved and confirmed
9 without further notice, hearing or order.

10 9. Notice of the Motion is deemed to be sufficient under LR 66-5 based on the
11 service of the Motion, which Motion contains notice of the Motion and opportunity to object,
12 and by serving the Motion on all known non-consumer creditors of the estate concurrent with the
13 filing of this Motion with the Court, but not on the tens of thousands of potential foreign
14 creditors.

15 Good cause appearing, the court hereby GRANTS the Motion, and all relief requested
16 therein, in its entirety.

17 **IT IS SO ORDERED.**

18 Dated: April 11, 2018.

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The Honorable James C. Mahan
UNITED STATES DISTRICT JUDGE

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