



NEWS

A Publication of the
California Receivers Forum



Hon. Jennifer E. Niemann

Judge Jennifer E. Niemann Bankruptcy Judge, Fresno

If I were asked to write a description of the best requisites for a quality bankruptcy judge, I might outline the following: (a) graduate from a quality law school; and (b) spend eleven of the next thirty years in the bankruptcy practice area at two quality law firms (i) at the time, one of the nation's top law firms Heller Ehrman in San Francisco and (ii) at a bankruptcy boutique firm in Sacramento, Felderstein, Fitzgerald, all the while representing debtors, creditors, and Chapter 7 and 11 trustees. This is a private practice tenure that earned then lawyer Niemann a vote of confidence from her peers as Super Lawyer. What about the other half of her post-law school career? That would be (c) in the above chronology: spend half of your post-law school years as a judicial law clerk for three different bankruptcy judges getting to know judicial philosophy and procedure from within the bankruptcy judicial system. To make this combination most

effective, intersperse the law office experience with the clerk experience (spending a few years in each so that you bring both of these practices along as your knowledge of the bankruptcy law and system increase over time).

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County of Sonoma v. U.S. Bank: Court of Appeal Reaffirms Receivership Court's Power to Authorize Priority Certificates and Strip Liens

BY BLAKE ALSBROOK*

In the Summer 2019 edition of *Receivership News*, I wrote an article about *City of Sierra Madre v. Suntrust*, a case where my late law partner David Pasternak and I were successful in obtaining a published opinion from the Second District Court of Appeal reaffirming a receivership court's discretion to authorize the issuance of receiver's certificates with priority over all other liens, including mortgages. As noted in that article, after we obtained the opinion, a mortgage lender filed a brief with the California Supreme Court attempting to have the opinion depublished, claiming, among other things, that the *Suntrust* holding would have calamitous effects on the lending industry by creating uncertainty regarding the priority of trust deeds.

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Publisher's Comments

BY ROBERT P. MOSIER*

Robert P. Mosier is a Southern California receiver and trustee and principal of Mosier & Company, Inc., a firm that has specialized in managing and turning around troubled companies for more than 25 years.

It is not often I get to write: We have breaking news. A California Court of Appeal has just reaffirmed the Receivership Court's powers to authorize priority certificates and strip liens – thanks author and attorney **Blake Alsbrook**! We have another timely article on preserving/maximizing real estate values by **Michelle Vives** (Douglas Wilson Companies). Our member profile is Central California's **Chris Seymour** (Fresno) who serves on our new Council Board. Editor Kathy Phelps covers other articles in this issue. What lies ahead? Watch one of the recent zoom or call-connect recordings at www.Receivers.org. Notwithstanding a current prohibition against evictions and foreclosures, we could see an uptick in the appointment of Receivers. What is the highest and best use of an empty big box in a sizable shopping center? Will Class A/B office space be replaced by the increase in the “at-home” workplace? RPM

Editor's Comments

BY KATHY BAZOIAN PHELPS*



Kathy Bazoian Phelps

***Kathy Bazoian Phelps** is Senior Counsel at Diamond McCarthy, LLP, Los Angeles, and the co-author of *The Ponzi Book: A Legal Resource for Unraveling Ponzi Schemes*. She frequently represents receivers and trustees.

Even though we are still in the midst of a pandemic and conferences are still on hold, *Receivership News* nevertheless wants to at least partially carry on with its tradition of focusing on bankruptcy issues in conjunction with the California Bankruptcy Forum. The article on Post-Pandemic Relief: Subchapter V and the Small Business by **Diane Kim** discusses an important new form of bankruptcy relief in the post-pandemic era. Additionally, the Judge's Profile highlights Bankruptcy Judge **Jennifer E. Niemann** in Fresno and her impressive journey to judgeship.

We've included a new kind of article in this Issue, one we can all use – 6 Unconventional Productivity Tips for a Calm and Focused 2021. While neither receivership nor bankruptcy related, Part I of this timely article can help recenter all of us after what has been a very tough year. The focus on refocusing casts a wide net – read and apply to both your personal and professional lives.

Be sure to check out our three regular columns - Ask the Receiver by **Peter Davidson**, Heard in the Halls by **Michael Muse-Fisher**, and Tax Talk by **Chad Coombs** – for information not to be missed by receivers.

Here's hoping for a better 2021 for us all. Kathy



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Sounds like a winning formula – a blend of high level, practitioner experience balanced with an equal amount of time gaining insight into the judicial process as an insider. This is precisely what Judge Jennifer E. Niemann did before her appointment to the Eastern District of California, Fresno in June 2020. After graduating from Harvard Law School, Judge Niemann spent 11 non-contiguous years in private practice interspersed with 15 non-contiguous years in the Court system as a law clerk. It is by any measure a powerful combination of experience of both sides of the bench before assuming the responsibility to judge the future and well-being of both debtors and creditors in the various chapters of bankruptcy.

But before we get too carried away with this impressive and powerhouse balance of credentials, let's start at the beginning and come forward. Jennifer Niemann was born in Illinois in a suburb outside of Chicago. Her father died while she was a youngster, and her mother (a schoolteacher) raised our future Judge along with two siblings. Judge Niemann remembers her summers as being the best times due to her mother being able to spend time with the three siblings, including many outings to Wrigley Field to root for

the Chicago Cubs. During high school, Judge Niemann was active in student government, color guard, marching band, and backstage as a coordinator and set designer for the school plays. It appears that her mother may have imparted some good genes as well as a sense of discipline. Judge Niemann graduated high school as the valedictorian of her class.

After high school, it was off to the University of Illinois where she was an economics major and again graduated with honors. Here she was an officer in the pre-law club and admits to being fascinated by the law. So, it appears that a combination of interest and ability got our future judge admitted to Harvard Law School. Judge Niemann confesses that one of the most enjoyable aspects of attending Harvard Law School was using her technical theater skills in lighting and set design with the Harvard Law School Drama Society.

Right out of law school was her first clerking assignment– Judge Thomas E. Carlson in San Francisco. After two years, it was off to private practice at the once prestigious law firm, Heller Ehrman, but in what discipline – bankruptcy, of course. Our Judge confesses that she loves

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bankruptcy law. So, it is not surprising that when Judge Carlson was named Chief Judge for the Northern District of California, it was back to being a law clerk for Judge Carlson. When she got married, she and Erik took a year and a half off to travel around the world.

Her most unusual case? As a bankruptcy lawyer, Jennifer Niemann represented the Roman Catholic Bishop of Stockton (Diocese of Stockton) in its bankruptcy case. The case was filed in January 2014, and the Court confirmed a plan in early 2017. This was one of many diocesan cases, and it has provided a template for subsequent diocesan bankruptcy filings.

After the above background, when offered a judgeship, it took our Judge a nanosecond to make up her mind to accept. She admits that she enjoys working on the cases from the Court's perspective.

What's been the impact of COVID on the court system? Law and motion calendars are held by telephone, but trials can be by Zoom. The system is definitely ajar, and I think we all look forward to two shots of the COVID vaccine and a return to normalcy. The Zoom system requires patience. An interesting question: Will Zoom remain a part of or even replace call-in court appearances? Stay tuned to see.

What change in the Court system would our well-grounded Judge make? She likes the new Subchapter V option, now a year old, for small business debtors and individuals. It is much more efficient than the traditional Chapter 11. The Subchapter V system is both watchdog and participatory in nature. The trustee is required to work with both the debtor and the creditor sides to achieve a consensual plan of reorganization. It allows confirmation of a plan without a vote of creditors and this is a plus. The Cares Act increased the debt limit for Subchapter V debtors for one year to \$7.5 million from \$2.7 million, excluding the debt of insiders. Judge Niemann would like to see Congress make this debt limit increase permanent.

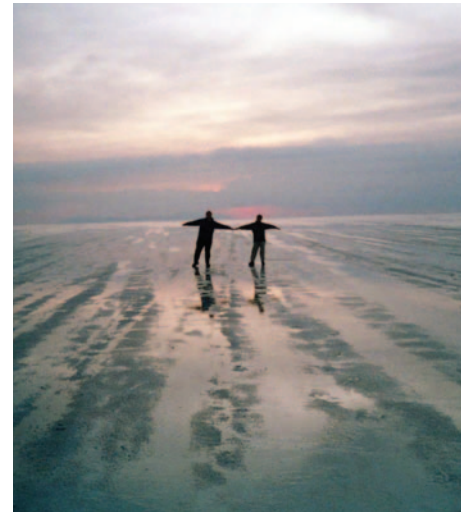
Well, you now have a pretty good idea of our Judge's academic and work experience—all classical and accomplishment-oriented. What about the personal side of Judge Niemann? It is equally colorful and unusual. Judge Niemann married her husband Erik (a California native and abstract artist who works in architecture) twenty years ago. A common thread is a love and even unquenchable thirst for travel. For their honeymoon, Erik and Jennifer traveled around the world for eighteen months. WOW! What was the most memorable of the around-the-world journey: renting a campervan in New Zealand. Other stops. Traveling through South America for three months, sub-Saharan

Africa for a month, India for eight weeks and Australia for two months. One highlight among many was spending two weeks in Tasmania traveling with a family that they met months earlier in South America. All in all, our newlyweds traveled to 35 countries on six continents – don't despair—Jennifer has subsequently visited

Antarctica with her mother –lots of white snow, black rock, wildlife but with a "home base" of luxury off a cruise ship. The biggest impact of COVID-19 on her personal life – she and Erik have not been on an airplane in a year. She finally got out of California in October with a stay in Nevada near South Lake Tahoe.

Least favorite trip was a ski trip to Colorado in February 1994 with college friends. The first day resulted in injury to her knee and being grounded for the duration of a long weekend with only legal material to read. Her specialty is now cross country after enjoying downhill in her teenage and early adult skiing years. Judge Niemann is an avid reader. As a youngster, it was common to see her walking home from the public library with a large pile of books, but not too large, so she could read a new book on her way. She has no favorite author but has read many. Another benefit of COVID-19; listening to books on tape. Does Judge

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Erik and Judge Niemann find stark beauty in the Uyuni Salt Flats in Bolivia.



Santorini Island, Greece vacation was of special interest to Erik, an abstract artist who works in architecture.

Post-Pandemic Relief: Subchapter V and the Small Business

BY: DIANE KIM*

Due to the pandemic, shops have temporarily or, in other cases, permanently closed. Chain restaurants have restructured, businesses have adopted pandemic-specific business models, and others have shuttered their doors, awaiting a post-pandemic future.

For many of these businesses – whether it be restaurants, candy shops, thrift stores, or hair salons – the road to recovery as a result of the coronavirus and its halt on business activities will soon turn to a long-held tool for relief: the Bankruptcy Code.

Options for Bankruptcy Relief

Pre-pandemic, a small business debtor would typically file for bankruptcy relief under either Chapter 7 (liquidation) or Chapter 11 (reorganization).

A debtor that files for Chapter 7 will not survive the bankruptcy case. Instead, the debtor must yield its business and its assets to a court-appointed trustee, who will then liquidate all of the debtor's assets and distribute the proceeds to the debtor's creditors.

Alternatively, under Chapter 11, a debtor retains control of its business operations and restructures its debts through a court-approved plan. However, the debtor will be subject to an increased oversight over its business operations and management of its funds. As a result, to survive financial distress and the Chapter 11 bankruptcy case, a debtor must pay substantial administrative and professional fees.

For a small business hoping to continue its business operations, a debtor should file for Chapter 11. However, the substantial costs associated with a Chapter 11 bankruptcy may deter a debtor from seeking an otherwise attractive form of relief. In response, Congress amended chapter 11 of the Bankruptcy Code under the Small Business Reorganization Act ("SBRA") to include Subchapter V, which became effective on February 19, 2020.

Subchapter V

Subchapter V was an initiative specifically tailored to benefit small business debtors and was enacted immediately before COVID-19 was declared a pandemic. Under Subchapter V, certain debtors can retain control over their business operations without being subject to some of the more costly requirements under Chapter 11. This streamlines the Chapter 11 bankruptcy process by

simplifying the plan confirmation process and lowering costs associated with a traditional Chapter 11 plan.

To be eligible for Subchapter V, at least 50% of debt must arise from commercial business activities by "persons" (both individuals and entities) engaged in commercial business activities, and the debtor must not exceed \$2,725,625 in "noncontingent liquidated secured and unsecured debt." 11 U.S.C. § 1182(1)(A). Once the Subchapter V petition is filed, a standing trustee is appointed to "facilitate the development of a consensual plan of reorganization." 11 U.S.C. § 1183(b)(7).

CARES Act

In response to the pandemic, and shortly after the enactment of Subchapter V, Congress passed the Coronavirus

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POST-PANDEMIC RELIEF...

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Aid, Relief, and Economic Security Act ("CARES Act"). Some of the provisions under the CARES Act helped alleviate immediate bankruptcy filings, which included extending Paycheck Protection Program loans for small businesses to continue their operation for up to eight weeks and creating a moratorium on foreclosures on federally backed mortgages. The CARES Act also expanded who could qualify for Subchapter V relief by increasing the qualifying limit from \$2,725,625 to \$7,500,000 ("Qualifying Provision").

The near simultaneous enactment of Subchapter V and the Qualifying Provision under the CARES Act made Subchapter V filings more popular for small businesses. According to Bloomberg Law, 18% of the Chapter 11 cases filed from January 1 through October 31, 2020 were Subchapter V filings. Furthermore, at least some Subchapter V debtors only became eligible as a result of the Qualifying Provision under the CARES Act. For instance, in Delaware, 20% of Subchapter V debtors would have not qualified for Subchapter V relief but for the Qualifying Provision. Evidently, since the start of the pandemic, the combination of local, state, and federal actions continued to make Subchapter V an especially appealing form of relief for would-be small business debtors.

Business Trends

The combination of the pandemic, congressional actions, and other state and local mandates created an unexpected trend in bankruptcy filings.

As a direct result of the pandemic and the implementation of other health and safety protocols on a state and local level, small businesses have floundered. At the start of the pandemic, Main Street America estimated that approximately 7.5 million of the nation's 30 million small businesses would be at risk of permanent closures by September 2020.

Since the start of the pandemic, however, only 100,000 businesses have suffered such a fate. Indeed, bankruptcy

filings are down. When compared to bankruptcy filings in 2019, 2020 bankruptcy filings are down by 30%. This trend is, in part, because of attractive loan options offered under the CARES Act and the Small Business Administration and, in other part, because of state and local authorities' continued enforcement of foreclosure moratoriums and mandated requirements for borrowers and lenders to execute forbearance agreements. So long as the protections under federal, state, and local laws continue to be offered, the small businesses initially projected to suffer permanent closures will continue to stay afloat.

Even with federal, state, and local mandates, however, trends in commercial filings under Chapter 11 remained consistently higher in 2020 than they did in 2019, which forecasts an alarming trend in bankruptcy filings to come. With the development and distribution of COVID-19 vaccines, businesses will soon return to normal. And with the return to normalcy, lender demands for payment will resume, state and local mandates will relax, pandemic-specific federal aid will cease, and certain provisions of the CARES Act will sunset.

Such provisions include the Qualifying Provision, which expired on March 27, 2021.

Thus, while small businesses with less than \$2,725,625 of debt may continue to file under Subchapter V, and businesses that have over \$7,500,00 of debt may continue to file under Chapter 11, businesses with debts between \$2,725,625 and \$7,500,000 Subchapter V expires on March 27, 2021.

**Diane J. Kim is an associate in the Business Reorganization and Financing Restructuring practice group at Duane Morris LLP. Ms. Kim specializes in bankruptcy litigation, creditor's rights, and securitized real estate transactions. Previously, Ms. Kim served as a judicial law clerk in the Bankruptcy Court for the District of Delaware.*



Diane Kim

JUDGE JENNIFER E. NIEMANN...

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Niemann have a preference – no, she enjoys reading and listening equally and frequently has two books going at the same time.

Our Judge is also a cook/chef and enjoys watching live theater. As Chef Niemann, her specialty is main courses. She looks forward to attending live performances when stage theaters reopen.

Judge Niemann's most admired person: her mother who managed to balance teaching school with raising three

children. And keeping a positive attitude throughout. Who has had the most influence on her career: Judge Carlson, who also officiated at Judge Niemann and Erik's wedding and is now retired, but they stay in touch.

**Robert P. Mosier is a Southern California receiver and trustee and principal of Mosier & Company, Inc., a firm that has specialized in managing and turning around troubled companies for more than 25 years.*



Robert P. Mosier

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Fast forward just over a year, and the same attorney that sought to depublish *Suntrust* filed an appeal in the First District hoping to create a split of authority between districts. For the nonlawyers reading, a split of opinion in the various Districts of the California Court of Appeal would help counsel bring the issue before the California Supreme Court for reconsideration. Thankfully, due to the hard work of Andrew Adams and Mark Adams, that attempt failed miserably, and the First District Court of Appeal produced yet another published opinion that follows *Suntrust* and is in many ways more helpful in providing guidance to receivership courts and reaffirming the discretion those courts hold to authorize significant action by their receivers.

Specifically, in *County of Sonoma v. U.S. Bank N.A.* (2020) 56 Cal.App.5th 657, the First District confirmed (or dusted off) many long-standing principles of receivership law well known to practitioners, but which have increasingly come under attack by lenders' counsel (and which have sometimes been the subject of debate amongst our readership). The critical takeaways of the opinion are as follows:

1. Relying on and agreeing with *Suntrust*, the County of Sonoma Court determined that trial courts have long held the power to authorize the issuance of receiver's certificates that prime existing liens under traditional receivership appointments made pursuant to Cal Code Civ. P section 564;
2. While the Court in *Suntrust* suggested as much, the *County of Sonoma* opinion makes clear that receivers appointed solely pursuant to the Health & Safety Code also have the power to authorize the issuance of receiver's certificates that prime existing liens, rejecting a strained legislative history analysis set forth by U.S. Bank's counsel;
3. Perhaps as important as the receiver's certificate issue, the *County of Sonoma* case then quoted with approval the Fourth District's opinion in *City of Riverside v. Horspool* (2014) 223 Cal.App.4th 670, 684 for the proposition that "[a] court of equity has the power to order the sale of property free and clear of liens and encumbrances" and affirmed the trial court's lien stripping in the case below, demonstrating unanimity between the Districts of the California Court of Appeal that receivership courts have full authority to strip liens from real property under appropriate circumstances; and
4. The Court instructed that Receiver's fees and costs have super-priority in some cases.

While the First District largely agreed with the receivership court below, it did take issue with one of the trial court's rulings, reversing in part, and clarified that fees and costs incurred by an

enforcement agency like a city or county do not enjoy super priority as do a receiver's. This part of the opinion is not a surprise and should remind all of us that attempts by receiver to pay enforcement agency fees and costs through the use of receiver's certificates or ahead of senior liens is inappropriate.

The Court of Appeal here wrote an opinion that can be used as authority in many different circumstances and touches upon a lot of what we do as receivers. The *County of Sonoma* opinion is an excellent tool for practitioners of receivership law, as it updates and refreshes any number of 19th-century cases and arcane passages from Clark on Receiver's commonly relied upon by lawyers such as myself and frowned upon by those who are not fans of ancient law.

Finally, I believe that *County of Sonoma* should be viewed as a positive development by lenders, insofar as it provides significant clarification regarding the course of action that the holder of a senior trust deed should take if a receiver is appointed. Rather than ignoring issues occurring at the property that acts as security, lenders should do their best (within reason) to cooperate with receivers and work toward constructive solutions to problem solve. What is more, first trust deed holders may be wise to provide funding to receivers to complete necessary work so that they can not only retain their priority but be an active participant in approving draws and keeping an eye on expenditures. Doing nothing and utilizing lien priority to the detriment of other stakeholders is no longer an option.



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Blake Alsbrook



Tools for Preserving and Maximizing Real Estate Value in Receivership Scenarios

By MICHELE VIVES *

While we await a full economic recovery, we are seeing an increase in assignments due to rising disputes and defaults among businesses and individuals. At Douglas Wilson Companies, we expect this trend to continue throughout 2021 and well into 2022.

Due to the lingering economic uncertainty stemming from the COVID-19 pandemic, it has never been so important as it is today to examine real estate assets through the receivership process and do everything possible to maximize the value of those assets. The economic climate is presenting an unusual opportunity right now to assess and prepare for potential repositioning and redevelopment during a time when we aren't expecting sudden movement in development or capital markets.

Employing a multi-disciplinary approach should be considered as a best practice for receivers. Maximizing the value of real estate assets in receivership can often best be done using the perspectives and services of an agent for receiver, a real estate developer, advisory consultant and specialized broker, much as you might consider for legacy asset transitions during times of wealth transfer among families.

There are several areas where we focus our efforts on maintaining and maximizing value of real estate assets in receivership; these include preserving entitlements, positioning/planning for development and simplifying ownership structures. Through these approaches, the property owner following the dismissal of the receivership will be best positioned to achieve the highest and best use of the asset – whether that involves holding the property, redeveloping or selling it.

Legacy Asset Transitions and Receivership Parallels

In many cases, the factors likely to devalue a property are the same whether the property is in receivership or is held by a family entity pending a legacy asset transition. Property that is unentitled, partially developed, or is under dispute among various family members can quickly lose value over time.

Many experienced receivers are familiar with scenarios of legacy asset transition where the family members do not see eye to eye during the transfer of the family-owned real estate.

This dynamic relating to legacy issues is not far afield from receivership scenarios, and the skill sets needed to achieve resolution are similar. Receivers can learn from the growing number of legacy asset cases – bound to surge in the coming months and years – as baby boomers transfer trillions of dollars' worth of real estate and other forms of wealth to the next generation.

From land entitlements to zoning and assessing current market conditions, the tools needed to advise on these transitions carry directly into receiverships where the receiver is tasked with overseeing the repositioning of assets to maintain value. In other words, these nuts and bolts don't differ much whether we are looking at a family legacy or receivership context.

Lifecycle of Entitling and Developing Property

We know entitlements and development assessment are always key themes in readying a property for its best and highest use prior to a transition. But the current economic cycle also underscores the importance of entitlements as we look towards a recovery where capital is more readily available to develop land.

For all owners of land that is not entitled in the current market – now roughly one year into the COVID-19 pandemic – entitlements are key to the future success of these properties. The same applies for properties in receivership; maintaining entitlements is a critical component of maximizing value for those who ultimately will own the property following the receivership. During this time of low capital availability and high construction costs, receivers assigned to cases involving real estate will be well-served to pay close attention to entitlements in preparation for a time when costs decrease and the market is once again ripe for development. Positioning property so it is ready to build or sell remains a top priority.

Understanding the timelines for renewing and applying for new entitlements can be an additional tool for receivers, and these timelines vary by city. Advisors can assist in working with the municipalities to preserve entitlements or plan for extensions where they are available by asking the right questions: Has the previous owner already renewed

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SECRETS OF THE MOST PRODUCTIVE PEOPLE

6 Unconventional Productivity Tips for a Calm and Focused 2021 – Part I

RESCUE TIME BLOG — REPRINTED WITH PERMISSION 01-03-21

RescueTime's research uncovered practices that you can take into 2021 that will help you rebuild your focus, develop mental resilience, and find a sense of calm in an otherwise stormy world.

By Jory Mackay – *RescueTime*

If you're like us, you're probably ecstatic to see 2020 in the rearview mirror.

The past year has been full of stress, anxiety, and unwelcome changes to the way we work and live. Yet one thing we've learned is that **when life becomes uncertain, the best thing to do is invest in yourself.**

As entrepreneur and writer Darius Foroux told us in an

interview earlier this¹ year about building mental resilience during a crisis:

"You always want to focus on the things you can control. And the most powerful things you can control are your effort and skills."

With the end of the year upon us, we decided to take this advice to heart.

Instead of wasting space with a list of most-read blog posts, we've dug deep into our research to uncover the hidden gems you can take into 2021 that will help you rebuild your focus, develop mental resilience, and find a sense of calm in an otherwise stormy world.

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Chris Seymour ~

From Harvesting Almonds to Mastering Ag Liens & PACA Regs in Receiverships



Chris was born in Fresno in 1960, and lived there until venturing to San Luis Obispo for college. From an early age, Chris had his sights on being a lawyer, likely because many friends of the family were involved in law. It looked from the parties they had it would be a pretty good gig, although many would

speculate it was because he never passed up an opportunity to argue with anyone about anything.

After a brief lapse of regular attendance during his sophomore year in high school, Chris worked harvesting almonds with mallets and poles during the summer of 1976. Having several tons of almonds fall on his head must have knocked some sense into him, and he decided going to class and getting serious about his future education was a lot easier than manual labor. Working through high school in restaurants reinforced his desire for a more "professional" vocation. After graduating magna cum laude from Cal Poly San Luis Obispo, Chris attended and graduated from Loyola Law School in Los Angeles in 1986.

Chris worked as a law clerk through most of his time in law school and had some good practical experience under his belt when he became a member of the bar and worked primarily in the area of design liability, representing architects and engineers.

It was during that time he met his wife Gail in the Pasadena Jaycees, and they married in 1989. Chris believes that those who have met Gail immediately recognize that she is the better half of the tandem. Chris practiced in Pasadena and had the opportunity to litigate in several courts in Southern California. However, Gail was a Michigan girl, and Chris was a "valley boy" and was getting tired spending half of his waking hours on the freeway, so Chris and Gail moved to Chris' old stomping grounds in Fresno. There,

Chris continued to practice design and construction litigation and began his segue into commercial business and agricultural litigation with Dietrich Glasrud & Jones in Fresno.

Chris' first foray into receivership law came in the 1990s representing loan servicers in receivership actions liquidating RTC assets (D'Oench-Dhume doctrine anyone?). While continuing to build his lender practice, Chris also became involved in receivership actions involving partnership and LLC dissolutions, primarily for agricultural interests. He became proficient in agricultural lien enforcement and workouts, often involving the somewhat obscure Perishable Agricultural Commodities Act (PACA) regulations and trust provisions. Agricultural and commercial receiverships became a large part of his practice at the turn of the century.

In the late 1990s, Chris reluctantly took over his firm's creditor bankruptcy practice "temporarily" after its bankruptcy partner, W. Richard Lee, was appointed to the bench. Chris continued to cut his teeth on bankruptcy law while he waited for the firm to hire a new bankruptcy partner. That hire never occurred, and Chris morphed into the firm's "bankruptcy guy." Eventually recognizing that what he first saw as a sentence in bankruptcy purgatory was actually an opportunity, Chris developed a practice blending bankruptcy and state litigation, and moved slowly into more transaction work with the firm's lender clients, especially in the field of agricultural lending. He has maintained that practice and expanded further into representing borrowers and receivers.

Along the way, Chris and Gail raised two wonderful children, Megan and Patrick, who are now grown and flourishing as adults, thankfully inheriting their mother's good nature. Both live in Fresno, and Chris appreciates the time they take in their busy lives to spend time with "the old man."

Chris first became involved with the California Receiver's Forum when he attended the Loyola II Symposium in 2010 at the behest of past CRF Chair, Jim Lowe, with whom he had worked on several receivership

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PROFESSIONAL PROFILE...

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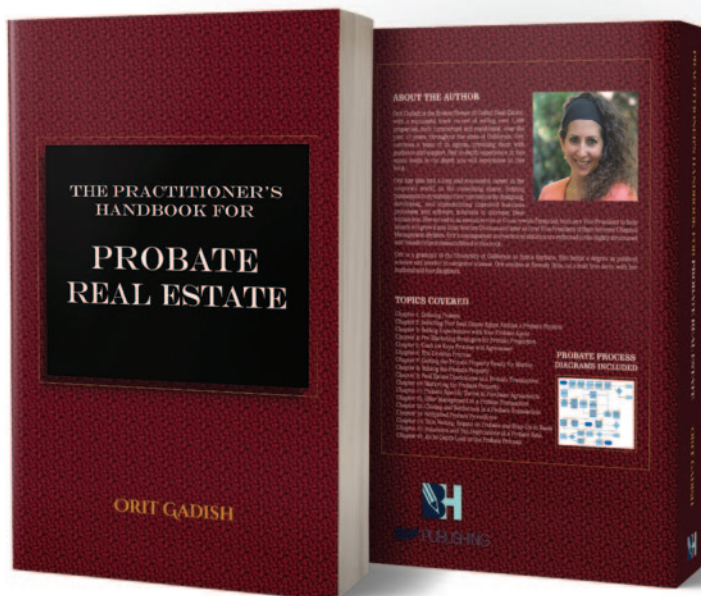
matters. Since becoming a member, Chris has been actively involved in CRF, serving on the Central California Chapter and state boards and eventually serving as CRF State Board Chair in 2016. He also served as Sponsorship Co-Chair for the CRF Loyola V Symposium in 2013. Along the way, Chris has been a panelist at several Loyola programs covering general receivership and agriculture-specific topics. He also has served on the board and as an officer of the Central California chapter since becoming a CRF member.

Chris currently is a shareholder of Gilmore Magness Janisse in Fresno and is blessed with excellent partners, staff and clients. He loves golf more than golf loves him, but the golf course is where Chris can retreat and relax with friends. Chris appreciates the educational, networking and social aspects of CRF, meeting and learning from receivers, attorneys and consultants throughout the state. He is looking forward to a new chapter in CRF's history as a result of the recent state consolidation of administration and is especially thankful for the invaluable assistance of Jeanne Sleeper and the rest of the JBS & Associates crew in herding the CRF cats.

He looks forward to involvement in CRF until Father Time tells him he and the practice of law are no longer a good match, and he and Gail get to spend more time together and with family to travel to those places they have long wanted to visit, but can't seem to find the time.



Megan, Chris, Gail and Patrick Seymour all live in the Fresno area.



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Ask The Receiver

BY PETER A. DAVIDSON*

Q I know receivers were appointed in England before even the merger of courts of law and equity, but when were receivers first appointed in California?

A It is hard to say when a receiver was first appointed in California, given records are not generally kept of superior court orders for long. However, the first reported appellate decision involving a receiver appears to be *Von Schmidt et. al v. Huntington et. al.*, 1 Cal. 55, decided in the Court's March 1850 term. The Supreme Court affirmed the lower court's appointment of a receiver, in a corporate dissolution action, to liquidate and distribute the corporation's assets. This was actually prior to the time California became a state, on September 9, 1850. The California Constitution of 1849 had established the Supreme Court, which initially consisted of a chief justice and two associate justices. It heard all appeals. It soon became overloaded and often decided cases saying only "affirmed" or "reversed", without saying why. California's second constitution, enacted in 1879, halted such dispositions, expressly requiring that every dispositive decision be in writing "with reasons stated." While the Court was expanded to seven justices it was still overburdened and in 1904, a constitutional amendment was passed establishing the intermediate Courts of Appeal we have today. An expanded discussion of this history can be found in *People v. Kelly*, 40 Cal 4th 106 (2006).

Q I have handled a number of health and safety receiverships. A city I have worked with before asked me to look at a property and prepare a proposed remediation plan, so they could have me appointed receiver under Health and Safety Code § 17980.7(c). The court denied the city's motion, saying it knew where the property was located and the cost of remediation was not worth it, given the property's value. Can the court do that?

A No. Under Health and Safety Code § 17980.7(c) there are only two requirements for the appointment of a receiver. First, "the court shall consider whether the owner has been afforded a



reasonable opportunity to correct the conditions cited in the notice of violation" and second, "[t]he court shall not appoint any person as a receiver unless the person has demonstrated to the court his or her capacity and expertise to develop and supervise a viable financial construction plan for the satisfactory rehabilitation of the building." If those requirements are met, the court does not have the discretion not to appoint a receiver.

This was recently highlighted in *City of Desert Hot Springs v. Valenti*, 43 Cal. App. 5th 788 (2019). There, when the city's attempts to have a property owner abate numerous building and health and safety violations failed, it sued the owner and filed a motion to have a receiver appointed. The city argued that its motion should be granted because the owner had been given notice and an opportunity to repair the violations, but the violations persisted, and the proposed receiver had previously been appointed in more than 125 nuisance abatement cases by various courts. The city also submitted estimates of the rehabilitation costs and the expected return from a sale.

The court, after requesting and receiving further information concerning rehabilitation, including a proposed construction plan from the proposed receiver, denied the city's motion and dismissed the case. The court's reason for denying the motion was its belief that the property was not "capable of being rehabilitated economically." *Id.* at 792. The court was of the opinion that the cost of rehabilitation, plus the cost of a receiver, would exceed the eventual sale value.

ASK THE RECEIVER

Continued from page 12.

The city appealed and the Court of Appeal reversed. It held that while the appointment of a receiver rests with the discretion of the court, here the court abused its discretion because Section 17980.7(c) requires the court to appoint a receiver if the two above mentioned conditions are met (i.e. the owner is given notice and an opportunity to correct the violations and the proposed receiver is qualified to take control and rehabilitate the property). It further noted that, given the statute, the normal general consideration of whether a less drastic remedy could be fashioned did not apply. Accord, *City of Crescent City v. Reddy*, 9 Cal App. 5th 458, 467 (2017) (“The Legislature presumably concluded that the uncorrected substandard building conditions present a sufficient danger to justify appointment of a receiver without regard to less invasive alternatives.”). The superior court did not consider the two prerequisites for appointing a receiver, but improperly jumped ahead to the issue of whether the proposed initial plan was financially viable. The Court of Appeal noted, and this is generally true

in these cases, that under the statute a receiver can be appointed before any rehabilitation plan has been developed. Indeed, unless a receiver is hard up for work, why would he or she spend the time and money soliciting and reviewing bids, obtaining appraisals, and preparing a plan ahead of his or her appointment? Further, depending on violations, while rehabilitation may not be financially viable, a receiver may still be needed. See, *City of Santa Monica v. Gonzalez*, 43 Cal. 4th 905 (2008), where the best way to abate the violations was to demolish the building. What plan is best and its financial viability should be made after a receiver is appointed, not before, when all the relevant facts may not have been adduced.

**Peter A. Davidson is a Partner of Ervin Cohen & Jessup LLP a Beverly Hills Law Firm. His practice includes representing Receivers and acting as a Receiver in State and Federal Court.*



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1. DEVELOP AN “INDIFFERENT” ATTITUDE TO THE THINGS YOU CAN’T CHANGE

A global pandemic has a not-so-funny way of forcing you to realize how little control you have. Unfortunately, it’s not just massive external events that make you spiral into feeling overwhelmed.²

There are numerous mental biases³ that add to the stress of your workday. Two of the worst offenders we learned about this year were:

- **Time anxiety:**⁴ The feeling that you never have enough time and/or that you’re not using the time you do have to the best of your ability.
- **Productivity shame:**⁵ When you never feel like you’ve done enough and/or that your work isn’t visible enough, so you work more and are constantly available on email and chat.

You can’t control how much time you have in a day or other people’s expectations in the same. Yet, paradoxically, it’s *because* we can’t control these elements that we focus so much time and energy on them.

Feeling confident and calm—in work and in life—requires living *with* these issues that are outside of your control. But how do you do that when they’re in your face every single day?

A few months ago, we spoke with entrepreneur and writer Darius Foroux about how to develop mental resilience during a crisis. However, rather than suggesting some modern productivity app or system, Darius turned to ancient philosophy: Stoicism.

Specifically, Darius spoke about the concept of indifference:

“In Stoic philosophy, there’s an idea called indifference. The basic premise is that you become indifferent to things that you label as indifferent. For example, if my copier breaks, instead of getting angry, I label it as indifferent. It’s not an important thing and doesn’t deserve your attention.”

It’s easy to label small annoyances as indifferent. But what about major concerns?

While no one’s saying you can ignore a crisis of health or at work, you can help to minimize the impact by instead focusing on what you can control: your strengths, interests, and purpose.

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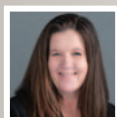
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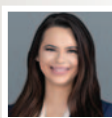
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This starts with understanding what *really matters to you*—an important insight for all of us right now. If you're unsure where your passion lies, try this exercise that Darius suggests:

1. **Focus on your strengths:** We're more motivated and focused when we do tasks we're good at or find personal meaning in. When the rest of the world feels crazy, focus on what you can control.
2. **Uncover your hidden passions:** If you're unsure what brings you personal meaning, ask these two questions. The only answers you're allowed to keep are ones that meet both criteria:
 1. What are you good at?
 2. What do you enjoy doing?
3. **Use your journal to analyze your beliefs:** Self-reflection⁶ is a key part of developing mental toughness. That's why Darius suggests journaling daily as a way to work through your thoughts privately and question your choices.

Put together, these actions create a sort of *passion feedback loop*—helping you to uncover, assess, and then reflect on what matters to you most.

2. DEPRIORITIZE TASKS THAT ARE BRINGING YOU STRESS WITHOUT ANY RETURN

Prioritization is the key to productivity. So it comes as no surprise that one of our most popular posts of this year looked at how to prioritize your tasks.⁷ However, there's a dark side to prioritization that people don't like to talk about:

Once you've called something a priority, it's incredibly hard to stop working on it (even if you know you should).

In other words, what's to say that what was a priority a month ago still is today? Especially now, with so much uncertainty, being able to rapidly reassess what's important to you is a skill that deserves more attention.

We like to call this *deprioritization*.⁸

If prioritizing is moving items to the top of your big list of things to do, then deprioritization is taking things off that list entirely. Yet while it's easy to deprioritize some tasks, our brains hate to throw away the work we've put into things that felt like a priority at one point. (*For this, you can thank more mental biases like the sunk cost fallacy, completion bias, and the Zeigarnik effect.*)⁹

Working on the right things is empowering and can help us stay motivated through even the hardest of times. So how do you find and then deprioritize those tasks that don't deserve your attention anymore?

Here are a few suggestions to get you started:

1. **Set limits on how long you'll work on projects and tasks:** Create friction at specific intervals to force you into reassessing your priorities.
2. **Create a 'not to do' list:** What are you sure you don't want to be doing now (or ever)?
3. **Use a weekly review¹⁰ to reassess your priorities:** A structured process is a great way to ask 'is this still important to me?'
4. **Isolate only the most impactful elements of important tasks or projects:** Remember that prioritization doesn't have to be all or nothing.
5. **Ask your team or boss what they think is important:** When you're feeling stuck, ask for outside input.

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3. REBUILD YOUR PASSION AND CURIOSITY AFTER BURNING OUT

In many ways, learning to thrive in a post-pandemic world is a lot like coming back from burnout.¹¹

When you're professionally burnt out, you lose all motivation to work. The things you do feel like they don't matter. And it becomes harder to focus and be creative.

Likewise, the pandemic has been mentally and physically draining, and it's impossible to think that you can push it aside and operate at 100%.

But millions of people have come back from burnout and found new ways to be motivated, focused, and creative. So what can you learn from them?

FOR YOUR FOCUS: BUILD YOUR DAY AROUND AN "ANCHOR TASK"

You're more likely to feel unfocused when you're overwhelmed or have too many things to do. Instead,

making progress¹² on a task—no matter how small—is a powerful way to rebuild your motivation¹³ and help you stay focused.

Atomic Habits author James Clear calls this finding an anchor task:

"Although I plan to complete other tasks during the day, my priority task is the one non-negotiable thing that must get done. I call

this my 'anchor task' because it is the mainstay that holds the rest of my day in place.

The power of choosing one priority is that it naturally guides your behavior by forcing you to organize your life around that responsibility."



FOR YOUR PASSION: FOCUS ON HELPING OTHERS

In a study of workers across five generations¹⁴, one of the most common qualities of people with high levels of job satisfaction and happiness was helping others.

Helping others can shine a light when you're feeling stressed and overwhelmed. However, it can often be hard to see how your work directly impacts others.

Instead, Susan David, a founder of the Harvard/McLean Institute of Coaching, suggests¹⁵ you should reflect on the people you work with and why you feel good about connecting with them:

"When people have shared values and connection they are more likely to feel positive about their work."

FOR YOUR CREATIVITY: GIVE YOURSELF PERMISSION TO FILL THE WELL

It's hard to feel creative when you've been stuck indoors for months. But as architect and designer Emily Fischer writes¹⁶:

"You have to feed yourself creatively. You have to give yourself that creative fuel."



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How you fuel your creativity is up to you, but try to find things that bring you joy and help you disconnect from work.¹⁷ You could go for a walk in nature, play a game online, or even take off an afternoon to watch movies.

As Brazilian entrepreneur Ricardo Semler says:¹⁸

“We’ve all learned to answer email on Sundays, but none of us has learned to go to the movies on Monday afternoon.”

- 1 <https://blog.rescuetime.com/darius-foroux-mental-resilience/>
- 2 <https://blog.rescuetime.com/feeling-overwhelmed/>
- 3 <https://blog.rescuetime.com/goal-setting-mental-biases/>
- 4 <https://blog.rescuetime.com/time-anxiety/>
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- 14 <https://hbr.org/2017/07/every-generation-wants-meaningful-work-but-thinks-other-age-groups-are-in-it-for-the-money>
- 15 <https://hbr.org/2019/03/how-to-help-your-team-with-burnout-when-youre-burned-out-yourself>
- 16 <https://thecreativeindependent.com/people/designer-emily-fischer-on-finding-a-path-that-makes-you-happy/>
- 17 <https://blog.rescuetime.com/disconnect-from-work/>
- 18 <https://blog.rescuetime.com/features/frank-chimero/>

Part II of this article will appear in the next issue of *Receivership News*.

TOOLS...

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entitlements? If so, how many times? Is there an extension available? Are there entitlements that are about to expire?

Preserving existing entitlements and gaining new entitlements can take months or years, and getting ahead with the proper planning and execution is paramount in a quick exit strategy. Receivers should all aim to preserve both the entitlements and any permits to create the most appealing, shovel-ready package.

Development Readiness and Municipal Codes

When it comes to maximizing value through the development process, where our impact typically falls as real estate advisors, is in establishing trust and communication with the municipality and in understanding the goals of all parties involved. This is key in receiverships as well, where the most successful outcomes are gained when all parties are aligned. We look for the “sweet spot” where the project goals are in concert with what the municipal code says and what the key players desire.

The value that can be gained here ranges significantly. Take, for example, a building designed in 2017, prior to the most recent changes in California’s Title 24 building code. If the building permits were to expire due to a delay in commencing construction, a new design would be needed in order to meet the present code requirements.

An additional area of savings is fees. Entitlement fees can

vary significantly from year to year, following automatic increase schedules. Per-unit fees can rise to the tune of doubling in a single year – or higher – providing a major opportunity for those who maintain entitlements and understand the fee structures and timelines.

Simple Structures and Maximum Value

The best structure is most often the simplest one when it comes to owned real estate assets. In receivership situations, complex deals and ownership structures can add months or longer to the time needed in negotiating with the municipality. Simplifying the deal structure is always advantageous from a time and resources perspective.

While no two scenarios are alike, there are some common areas we look to when advising on real estate, and in our receivership assignments involving real estate assets. The entitlement process, development regulations and fees, and ownership structures are all areas where we can work to maximize the value of real estate and to achieve its highest and best use for the future.



**Michele Vives is the Vice-President of Douglas Wilson Companies in San Diego, CA. The company provides services in real estate development or completion, maximizing asset valuation in receiverships, advisory consulting and as a specialized broker.*

Michele Vives



Prompt Assessment

BY CHAD C. COOMBS*

An often overlooked advantage of bankruptcy is the 60-day prompt assessment request that a bankruptcy trustee may make to determine any tax liability incurred by the bankruptcy estate. Bankruptcy Code § 505(b)(2) provides that the bankruptcy trustee (or debtor-in-possession as applicable) may request a determination of any unpaid tax liability of the bankruptcy estate upon filing the appropriate tax return and paying any tax liability reported on the return.ⁱ The taxing authority has 60 days after the prompt assessment request to notify the trustee that it will audit the return and 180 days after such request (or additional time as the court may order) to complete the audit and notify the trustee that it will assess additional taxes. Unless the return is fraudulent or contains a material misrepresentation, failure of the taxing authority to do so discharges the bankruptcy estate, trustee, debtor and any successor to the debtor from liability for any unpaid tax.

The bankruptcy prompt assessment only applies to tax liabilities that the bankruptcy estate may incur during the administration of the bankruptcy case. It does not apply to tax liabilities incurred by any other entity, such as the debtor before the bankruptcy (which would be a pre-petition claim) or an entity that acquires assets from the bankruptcy estate.

A bankruptcy prompt assessment request may be made for any potential tax liability of the bankruptcy estate, not just federal income taxes.ⁱⁱ This expedited process allows the trustee to settle the bankruptcy estate's tax obligations so the trustee may close the bankruptcy case in a timely manner. Otherwise, the trustee would have to wait for the otherwise applicable statute of limitation period to expire, which for federal income taxes is generally three years. Taxing authorities such as the Internal Revenue Service and California Franchise Tax Board typically notify the trustee within the 60-day period whether they will audit the returns or accept them as filed.

In its Internal Revenue Manual (IRM), the IRS states (as of this writing) that while a trustee may request bankruptcy

prompt assessment for a partnership, bankruptcy prompt assessment nevertheless does not apply to a partnership return because it is only an informational return (as any reported income flows through to the partners) and an audit would not uncover any unpaid tax liability of the partnership.ⁱⁱⁱ This position, however, does not appear to take into account the new federal partnership audit rules that generally became effective for tax years starting January 2018. Under these rules, it is possible in certain circumstances for a partnership to be directly assessed and liable for federal income tax as the result of an audit.^{iv} Moreover, the IRM states that the IRS will honor a prompt assessment request for an S corporation, which is also generally a flow-through entity, because an S corporation may be subject to income tax in certain circumstances.^v Trustees are therefore well advised to request prompt assessments in partnership bankruptcy cases.^{vi}

Outside of bankruptcy, Internal Revenue Code § 6501(d) provides an 18-month prompt assessment of federal tax liabilities (except estate taxes) for a corporation in liquidation and a decedent or decedent's estate. This 18-month prompt assessment also applies to a qualified settlement fund.^{vii}

For receivers in such cases who are required to file income tax returns^{viii}, this 18-month prompt assessment may not provide much comfort, especially for receiverships involving complex fraudulent schemes. Entities in such receiverships often have poor or no accounting records. Receivers may need to spend months if not years tracking down assets and then more time to reconstruct the necessary accounting records for preparation of meaningful tax returns to the extent possible. The determination of any tax obligations can be critical as a receiver may, in certain circumstances, be held personally liable for unpaid federal income taxes pursuant to 31 U.S.C. § 3713. Yet the receiver might not be able to estimate potential tax liabilities with sufficient certainty to determine an adequate reserve

Continued on page 21...

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- ◆ This symbol indicates those who completed up to 14 hours of advanced receivership education at the Loyola V, Complex Case Symposium in January 2013.
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- ⊗ This symbol indicates those who completed 9 hours of education at the Loyola VI Symposium in January 2015.
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- ◆ This symbol indicates those who facilitated and attended the Loyola VII Symposium in March 2017.
- ▲ This symbol indicates those who completed 6 hours of education at the Loyola VIII Symposium in January 2020.
- % This symbol indicates those who facilitated and attended the Loyola VIII Symposium in January 2020.

Loyola I-IV
symbols have
been deleted.

TAX TALK...

Continued from page 18.

pending the 18-month prompt assessment period. All the while the creditors, investors, victims and other beneficiaries of the receivership are eagerly awaiting distributions from the receivership.

There are steps, however, that can be taken to help address these issues. The order appointing the receiver should, for example, authorize the receiver to delay distributions until tax obligations are determined and satisfied (including pursuant to an 18-month prompt assessment request if applicable) or an adequate reserve for potential tax claims can be established. The receiver should be proactive in handling the tax aspects of the case, such as by seeking assistance from tax professionals at the outset of the case, notifying the court and parties in interest of the status of tax matters and contacting the tax authorities early in the case to seek their cooperation and perhaps even a closing or other applicable agreement. Such actions will also help demonstrate that the receiver acted responsibly and provide reasonable expectations for all.

- i See Bankruptcy Code § 505(a) regarding tax refund claims.
- ii See Internal Revenue Service Publication 908, pages 24 and 25 (February 2021) regarding bankruptcy prompt assessment for federal income tax purposes.
- iii See Internal Revenue Manual § 5.17.8.21(6) (revised April 13, 2020).
- iv See Coombs, Partnership Audit Rules Bring Changes for Receivers and Partners, *California Receivership News*, Issue 69 (Summer 2020).
- v See Internal Revenue Manual § 5.17.8.21(6) (revised April 13, 2020). The IRM adds that the discharge only applies to the parties specifically listed in Bankruptcy Code § 505(b) and therefore does not apply to the non-debtor shareholders of the S corporation.
- vi When the new partnership audit rules apply, any tax liability on audit shifts to the partners when the partnership ceases to exist. However, the IRS determines whether and when the partnership ceases to exist based on the tax laws. See Internal Revenue Code § 6241(7) and Treasury Regulation § 301.6241-3(b).
- vii See Treasury Regulation § 1.468B-2.
- viii See Internal Revenue Code § 6012(b) and Treasury Regulation § 1.6012-3 regarding the federal filing obligations for receivers of corporations and individuals. See Treasury Regulation § 1.468B-1 with respect to when a receivership is treated as a qualified settlement fund for federal income tax purposes.



**Chad Coombs is chief tax counsel at Thomas Seaman Company in Irvine, CA and an expert in insolvency tax law.*

Chad Coombs

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Heard in the Halls: NOTES, OBSERVATIONS, AND GOSSIP RELAYED

BY MICHAEL J. MUSE-FISHER*

Welcome to the latest edition of *Heard in the Halls*. Please provide your snippets of news, questions or comments about receivership issues or the professional community by telephone, mail, fax, or email to: *Michael J. Muse-Fisher* at Buchalter, A Professional Corporation, 500 Capitol Mall, Suite 1900, Sacramento, CA 95814; Phone: (213) 891-0700; Fax: (213) 896-0400; Email: mmuse-fisher@buchalter.com

Here is what we have *Heard in the Halls* ...

- Worldwide, Let Them Recognize. Congratulations to the incoming 2021 CRF Officers. Helmed by the venerated **Gerard Keena II**, CRF Chair (President and Receiver of Bay Area Receivership Group), the newest CRF officers also include **Richard Ormond**, Shareholder at Buchalter, Chair-Elect (and voted best hair three years running), **Dominic LoBuglio** of Dominic LoBuglio, CPA Inc., Treasurer (and forensic financial analyst genius), **Nicholas Wilson**, COO of Douglas Wilson Companies, Secretary (believed to draw his unbelievable receivership acumen and power from the world's greatest mustache), and **Michael Muse-Fisher**, Senior Counsel at Buchalter, Project Director (voted World's Greatest Dad, Runner Up by his children in 2019).
- LA/OC Knows How to Party. The annual LA/OC Holiday Party in December was a blast for all who attended. CRF LA/OC donated \$500 (profits raised from the event) to two local food banks. LA/OC council member **Alan Mirman** reached out to match the CRF LA/OC donation to the LA Regional Food bank (where he is a long-time board member) and encouraged fellow council members to do the same, resulting in \$2,000 in donations! The party also included a good-bye roast to outgoing co-chair **Richard Ormond** who was lovingly awarded "Best Schmooser." LA/OC sincerely thanks Richard for his years of service to the region and is pleased that he is still serving on the state board. **Oren Bitan** has replaced (if that is a possibility!) Ormond as co-chair of the LA/OC Council.
- Sacramento Where You At? On January 27, 2021, the Sacramento Valley Region of the CRF presented "Current Trends in Health and Safety Code Receiverships." Moderated by **Kevin Collins** of Buchalter, the all-star panelists included **Mike Benner**, Sacramento City Senior Deputy Attorney, **Peter Lemos**, Sacramento City Housing and Dangerous Buildings Code Enforcement, and **Mike Brumbaugh**, State Court Receiver. The well-attended presentation was described as "fantastic," and the question and answer section went well past the allotted time. If you would like the materials from the event, or wish to view the presentation go to receivers.org. Please be on the lookout for future Sacramento events, as the Sacramento Chapter, led by the esteemed **Scott Sackett**, is back in full force (the education committee led by the extremely handsome **Michael Muse-Fisher**, and the only slightly less handsome **Kevin Collins**, have a slate of educational seminars already in the works).
- 2021 Education Committee appointments include **Ryan Baker**, Douglas Wilson Companies; **Oren Bitan**, Buchalter; **Kevin Collins**, Buchalter; **Dennis Gemberling**, Perry Group International; **Ted Fates**, Allen Matkins. 2021 Nominations Committee appointments: **Gerard Keena II**, Bay Area Receivership Group; **Fernando Landa**, CG3; **Richard Munro**, Invenz Inc.
- The Young Professionals Council (YPC) Receivership Plans to Expand Statewide: The YPC, originally started as part of the LA/OC Chapter, is planning to expand statewide. The YPC is also working with small, medium and large firms across the State to provide training to attorneys on all things receiverships. If you or your firm are interested in getting a crash course in receiverships, or fine tuning your existing receivership skills, or if you are interested in joining the YPC please contact Michael Muse-Fisher (at mmuse-fisher@buchalter.com).
- Passing of **Doug Morehead**, Optima Asset Management, Newport Beach, CA – Doug passed away unexpectedly at the end of December. He was involved at the beginning of the California Receivers Forum in LA/OC, an active board members for many years, and in recent years took ex officio status to make room for the next generation of the board. He was generous with his time and support of the organization. He often had a 30,000 view of the business cycles and shared that forward look with colleagues. Always a gentleman, when asked about a need or for advice, his reply was "How can I help?" Our organization and the receivership community will miss Doug. Condolences messages may be sent to his son, Justin Morehead, 1600 Dove St, Suite 450, Newport Beach, CA 92660.
- Spread the Word: Know someone thinking about getting started in receivership work? Steer them to www.receivers.org to order a past Loyola program 4-disc DVD set for \$75 teaching receivership basics and including sample pleadings.



***Michael J. Muse-Fisher** is Senior Counsel of Buchalter, A Professional Corporation. Mr. Muse-Fisher specializes in creditor's rights, real estate disputes, corporate and partnership disputes, copyright and trademark disputes, cannabis law, and alternatives to bankruptcy. Representative clients include regional and national lending and financial institutions, state and federal receivers, and companies ranging from family-owned operations to Fortune 500 corporations.



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