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8 *Attorneys for Eric M. Haley, Trustee*

9 **IN THE UNITED STATES BANKRUPTCY COURT**  
10 **FOR THE DISTRICT OF ARIZONA**

11 In re:

12 ARIZONA PARTSMaster, LLC aka AZP  
13 MULTIFAMILY,

14 Debtor.

(Chapter 7 Case)

No. 2:23-bk-05092-PS

**TRUSTEE’S MOTION TO SELL  
PROPERTY OF THE ESTATE AND  
FOR APPROVAL OF BIDDING  
PROCEDURES**

15 Eric M. Haley, Trustee, by and through his attorneys undersigned, herein files his  
16 *Trustee’s Motion to Sell Property of the Estate and for Approval of Bidding Procedures*  
17 (“**Motion**”) which moves this Court for authority to sell property of the Estate and for approval  
18 of bidding procedures. In support of his Motion, the Trustee submits the following Memorandum  
19 of Points and Authorities and the entire record of this administrative case.

20 **MEMORANDUM OF POINTS AND AUTHORITIES**

21 **A. Factual Background.**

22 1. This case was commenced by Involuntary Petition under Chapter 11 of Title 11 on July  
23 28, 2023 (“**Petition Date**”). The case was converted to Chapter 7 of Title 11 on September 11,  
24 2023 (“**Conversion Date**”).

25 2. Eric M. Haley is the duly appointed and acting trustee in this case (“**Trustee**”).

26 3. Among the unencumbered assets of this Estate are the following vehicles (“**Property**”):

27 a. 2002 Chevy Silverado – VIN 2GCEC19T721299946;

28 b. 2020 Porsche 911 – VIN WP0AA2A92LS205841; and

c. 2020 Land Rover - Range Rover Sport - VIN SALWV2SE1LA715859.

4. Title reports evidencing the lack of liens are attached hereto as **Exhibit A**.

1           5. Trustee has contemporaneously filed an application seeking an order authorizing the  
2 employment of Cunningham & Associates, Inc. (“**Auctioneer**”) to assist with the sale of the  
3 Estate’s property, including the Property.

4           6. Trustee believes that the most efficient and comprehensive way to sell the Property is  
5 by auction through Cunningham & Associates, Inc. The sale of the Property shall be referred  
6 to as “**Sale**”.

7           **B. LEGAL AUTHORITY.**

8           7. This Court has jurisdiction over Debtor’s Chapter 7 case under 28 U.S.C. § 1334.  
9 Proceedings with respect to the Motion are core proceedings that the Court may hear and decide.  
10 *See* 28 U.S.C. § 157(b)(1) and (b)(2)(A), (M), (N), and (O). Moreover, venue is appropriate  
11 pursuant to 28 U.S.C. § 1408(1).

12           8. Property of the Estate includes “all legal or equitable interests of the debtor in  
13 property as of the commencement of the case.” *See* 11 U.S.C. § 541(a). The concept of property  
14 of the estate is broad in scope, encompassing all kinds of property, including tangible and  
15 intangible property, causes of action, real and personal property, certain property held by the  
16 debtor in trust for others, and certain property of the debtor held by others. *See U.S. v. Whiting*  
17 *Pools*, 462 U.S. 198, n.9 (1983). Based on the title reports at Exhibit A, the Property was  
18 property of the Estate on the Petition Date. Accordingly, the Property is property of the Estate  
19 that can be liquidated for the benefit of the creditors of this Estate.

20           9. Section 363(b)(1) provides that “[t]he [T]rustee, after notice and a hearing, may use,  
21 sell, or lease, other than in the ordinary course of business, property of the estate ....”

22           10. A trustee must demonstrate a sound business justification for a sale or use of real  
23 property outside of the ordinary course of business. *E.g., In re Continental Air Lines, Inc.*, 780  
24 F.2d 1223, 1226 (5th Cir. 1986). Courts look to various factors to determine whether to approve  
25 a motion under section 363(b), such as: (i) whether a sound business reason exists for the  
26 proposed transaction; (ii) whether fair and reasonable consideration is provided; (iii) whether the  
27 transaction has been proposed and negotiated in good faith; and (iv) whether adequate and  
28 reasonable notice is provided. *In re Condere*, 228 B.R. 615, 626 (S.D. Miss. 1998).

          11. The Trustee believes in his best business judgment that the prospective Sale will

1 generate funds for the benefit of the creditors of this Estate and is in the best interest for all creditors  
2 and parties-in-interest.

3 12. Pursuant to Local Rule 6004-1, Trustee must file a motion and, after notice, obtain  
4 an Order approving a sale outside the ordinary course of business if the property being sold is  
5 expected to have a value greater than \$2,500.00.

6 **C. Sale and Bidding Procedures.**

7 13. Auctioneer utilizes the following standard procedures for auctions:

- 8 a. Online Auctions: Bidding will open on or before 4:00 p.m. MST on Friday,  
9 December 15, 2023, or as indicated on the website. Bidders will be able to  
10 place bids through the online bidding system at  
11 www.cunninghamauctions.com as well as on Cunningham & Associates, Inc.  
12 bidding portal www.auctionaz.com. Online bidding will start to close at 2:00  
13 pm MST on Wednesday, December 20, 2023. A \$200.00 refundable bidder  
14 deposit is required. The deposit can be made with a credit card using the online  
15 bidding system.
- 16 b. Bidding: All auctions are live online.
- 17 c. Payment/Charges:
- 18 i. No Buyers Premium will be charged by Auctioneer.
- 19 ii. Auctioneer does not accept credit/debit cards; Auctioneer accepts cash,  
20 cashier's check, certified funds or wire transfers (with a \$25 fee).  
21 Payment is due no later than 4:00 pm MST on the first Friday following  
22 the auction.
- 23 iii. Sales Tax: For general assets and rolling stock, unless an Arizona tax  
24 resale license is provided at the time of payment, the purchaser will be  
25 required to pay the combined Arizona State and local sales tax totaling  
26 9.2%. There is no sales tax on real estate.
- 27 d. Default: In the event of default, the second highest bidder will be given the  
28 option to become the successful bidder at his/her last bid. The bidder in default  
will be responsible for the difference in the bids, or the entire amount of his/her

1 bid in the event that the second highest bidder does not take the option to  
2 become the successful bidder. The default bidder will also forfeit his/her  
3 deposit. A service charge of 1-1/2% per month, 18% APR, will be added to all  
4 overdue accounts. The bidder in default is also liable for all legal and collection  
5 fees.

6 e. Auctioneer Warranties: Trustee and Auctioneer provide no warranty relating  
7 to title, possession, quiet enjoyment or the like in this disposition. All items  
8 sold at the auction are being sold “AS IS, WHERE IS” with no representations  
9 or warranties implied or stated, subject to any existing liens and encumbrances  
10 known or unknown by the Trustee. All due diligence is the responsibility of the  
11 bidder/buyer.

12 f. Additional Sale Terms:

13 i. Auctioneer is not responsible for missing or broken items after the  
14 auction has ended. There are absolutely no refunds.

15 ii. The property to be auctioned will be available for preview on Tuesday,  
16 December 19 , 2023 from 10:00 am to 2:00 p.m. at 4753 E. Falcon  
17 Drive, Suite 1, Mesa, AZ 85215 for the 2020 Land Rover and the 2020  
18 Porsche and at 5330 N. 43<sup>rd</sup> Avenue, Glendale AZ 85301 for the 2002  
19 Chevy Silverado.

20 iii. The Sale is subject to Trustee approval.

21 iv. All bids at the auction shall be subject to higher and better bids until  
22 close of the auction.

23 v. **The buyer of Property shall be solely responsible for the costs of**  
24 **removing the purchased property and shall work with the**  
25 **Auctioneer for the removal of the Property.**

26 14. Notice of the sale of the Property will be provided to all known parties in interest.  
27 The sale of the Property shall be **As-Is, Where-Is, with No Guarantees or Warranties**, and  
28 free and clear of liens, encumbrances, and interests with all valid and enforceable liens,

1 encumbrances and interests to attach to the net proceeds derived from the sale of the Property as  
2 described above.

3 15. If the Order approving this Motion has not yet been signed by the time of the Sale,  
4 the auction will be held pursuant to the procedures set forth herein and bids will be taken with  
5 final approval of the winning bid subject to approval of this Motion.

6 16. Trustee seeks authority to execute any documents necessary to carry out the  
7 provisions of this Motion.

8 17. Upon the later of the Court approving the Motion or completion of the proposed Sale  
9 and receipt of full payment of the purchase price, Trustee shall execute any documents necessary  
10 to transfer the Estate's interest in the Property to the prevailing bidder(s) subject to the terms set  
11 forth herein and the Order entered by the Court approving the terms of the Sale. Trustee will also  
12 file a Report of Sale.

13 18. Auctioneer's fee will be a commission of ten percent (10%) of any sale proceeds, plus  
14 any reasonable and necessary costs incurred in appraising, inventorying, and advertising the  
15 Property, subject to further Court Order.

16 19. There have been no known requests for stay relief filed as to the Property.

17 20. The Trustee is not aware of any recent appraisals on the Property.

18 21. To the extent a buyer is not an insider and is a good faith purchaser, it is requested  
19 they be entitled to the benefits provided by 11 U.S.C. § 363(m).

20 22. Trustee is not aware of any other entities, other than those listed herein, holding an  
21 interest in the Property being sold. Pursuant to the title record at Exhibit A for the 2020 Land Rover,  
22 the vehicle is titled as being owned by the Debtor OR an insider of the Debtor, Bradley Lawrence  
23 Schlecht. Mr. Schlecht cooperated with the turnover of the Land Rover and upon information and  
24 belief, consents to the sale. Nothing herein shall prevent Mr. Schlecht from filing an unsecured  
25 proof of claim. Given the nature of the title of the vehicle (OR), Mr. Schlecht shall not receive any  
26 of the sales proceeds.

27 23. To the extent necessary, the Trustee requests that the Order contain language instructing  
28 the Arizona Department of Motor Vehicles cooperate in transferring title of any of the vehicles to

1 a successful buyer and the Trustee is authorized to complete any documentation required to  
2 facilitate transfer of ownership.

3 24. In order to allow the sales to timely close commensurate with the end of the auction  
4 bidding, the Trustee respectfully requests that the Court in the discretion provided to it under  
5 Bankruptcy Rule 6004(h), waive the fourteen-day stay of the Order approving the sale of the  
6 Property.

7 WHEREFORE, the Trustee prays for an Order of this Court as follows:

- 8 A. Granting Trustee’s Motion to Sell Estate’s Interest in Property “as is” /  
9 “where is” with no warranties express or implied, to anyone submitting the  
10 highest and best offer;
- 11 B. Approving the bidding procedures as set forth herein;
- 12 C. Authorizing the Trustee to accept the proceeds from the Sale of the  
13 Property;
- 14 D. Authorizing the Trustee to execute all additional documents and perform  
15 other such acts as may be necessary or reasonably requested to facilitate and  
16 complete the transaction;
- 17 E. Instructing the Arizona Department of Motor Vehicles to cooperate in  
18 transferring title of any of the vehicles to a successful buyer and authorizing  
19 the Trustee to complete any documentation required to facilitate a sale;
- 20 F. Waiving the 14-day stay of Fed.R.Bank.P. Rule 6004(h); and
- 21 G. For such other and further relief as this Court deems just and proper.

22 RESPECTFULLY SUBMITTED this 15<sup>th</sup> day of November 2023.

23 **LANE & NACH, P.C.**

24 By         /s/ Stuart B. Rodgers          
25 *Stuart B. Rodgers*  
26 *Attorneys for Trustee*

1 COPY of the foregoing  
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20 By  /s/ Aimee Bourassa

# EXHIBIT “A”



<b>Plate</b> CA72470	<b>Plate Type</b> Commercial Vehicle	<b>Plate Status</b> Active	<b>VIN</b> 2GCEC19T721299946
<b>Year</b> 2002	<b>Make</b> Chevrolet	<b>Model</b> Silverado	<b>Style</b> Pickup 4 Dr
<b>Factory List Price</b> 24709	<b>Fuel Type</b> Gasoline	<b>Odometer Reading</b> 46194	<b>Odometer Code</b> Actual
<b>GVW</b> 0	<b>SAR Start</b>	<b>SAR End</b>	<b>SAR Weight</b> 0

<b>Registration Use</b> Commercial	<b>First Registered</b> 4/2002	<b>Expiration Date</b> 03/31/2025	<b>Date Registration Renewed</b>
<b>Title Number</b> 304M005130012	<b>State Issued</b> AZ	<b>Title Issued Date</b> 5/10/2005	<b>Title Indicator</b> Title Status Active
<b>Date of Sale</b>	<b>Received Date</b>		
<b>De-Insure Start Date</b>	<b>De-Insure End Date</b>	<b>Certificate Received Date</b>	<b>Reason</b>

No Permits Available

**Owner(s)**

5099213 ARIZONA PARTSMaster INC 7125 W Sherman St, Phoenix, AZ 850434773

**Mailing Address**

7125 W Sherman St, Phoenix, AZ 850434773

**Domicile Address**

**Lienholder(s)**

**Additional Information**

<b>Plate</b> LKYDEV	<b>Plate Type</b> ASU	<b>Plate Status</b> Active	<b>VIN</b> SALWW2SE1LA715859
<b>Year</b> 2020	<b>Make</b> Land Rover	<b>Model</b> Range Rover Sport	<b>Style</b> Station Wagon 4 Dr
<b>Factory List Price</b> 97500	<b>Fuel Type</b> Gasoline	<b>Odometer Reading</b> 27	<b>Odometer Code</b> Actual
<b>GVW</b>	<b>SAR Start</b>	<b>SAR End</b>	<b>SAR Weight</b> 0

<b>Registration Use</b> Commercial	<b>First Registered</b> 7/2020	<b>Expiration Date</b> 06/30/2024	<b>Date Registration Renewed</b>
<b>Title Number</b> A001661332	<b>State Issued</b> AZ	<b>Title Issued Date</b> 10/13/2020	<b>Title Indicator</b> Title Status Active
<b>Date of Sale</b>	<b>Received Date</b>		
<b>De-Insure Start Date</b>	<b>De-Insure End Date</b>	<b>Certificate Received Date</b>	<b>Reason</b>

No Permits Available

**Owner(s)**

14831543 ARIZONA PARTSMaster INC 7125 W SHERMAN STREET, PHOENIX, AZ 85043 Or  
 1405225 Bradley Lawrence Schlecht 24654 N Lake Pleasant Pkwy, Peoria, AZ 85383

**Mailing Address**

7125 W SHERMAN STREET, PHOENIX, AZ 85043

**Domicile Address**

**Lienholder(s)**

**Additional Information**

<b>Plate</b> BYA7GJ	<b>Plate Type</b> Commercial Vehicle	<b>Plate Status</b> Active	<b>VIN</b> WP0AA2A92LS205841
<b>Year</b> 2020	<b>Make</b> Porsche	<b>Model</b> 911	<b>Style</b> Coupe 2 Dr
<b>Factory List Price</b> 97400	<b>Fuel Type</b> Gasoline	<b>Odometer Reading</b> 78143	<b>Odometer Code</b> Actual
<b>GVW</b> 0	<b>SAR Start</b>	<b>SAR End</b>	<b>SAR Weight</b> 0

<b>Registration Use</b> Commercial	<b>First Registered</b> 3/2020	<b>Expiration Date</b> 06/15/2024	<b>Date Registration Renewed</b>
<b>Title Number</b> A008638542	<b>State Issued</b> AZ	<b>Title Issued Date</b> 6/3/2022	<b>Title Indicator</b> Title Status Active
<b>Date of Sale</b>	<b>Received Date</b>		
<b>De-Insure Start Date</b>	<b>De-Insure End Date</b>	<b>Certificate Received Date</b>	<b>Reason</b>

No Permits Available

**Owner(s)**

5099213 ARIZONA PARTSMaster INC 7125 W Sherman St, Phoenix, AZ 850434773

**Mailing Address**

7125 W Sherman St, Phoenix, AZ 850434773

**Domicile Address**

**Lienholder(s)**

**Additional Information**