

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
WESTERN DIVISION

FILED
2000 JUL 27 PM 3:15
COURT CLERK
NORTHERN DISTRICT OF ILLINOIS
WESTERN DIVISION

IN RE:)
CLARENCE LANE VANCE,) Chapter 7
Debtor.) Case No. 97 B 50687

REPORT OF SALE

NOW COMES, the Trustee, THOMAS J. LESTER, and submits the following Report of Sale of the real property located at 15858 Brick School Road, Pecatonica, Illinois:

1. On March 10, 1997, the Debtor above-named filed his petition for relief under Chapter 7 of the Bankruptcy Code.
2. Thomas J. Lester is the duly appointed and acting Chapter 7 Trustee of the above captioned matter.
3. On June 5, 2000, this Court entered an Order authorizing the Trustee to auction the property located at 15858 Brick School Road, Pecatonica, Illinois (hereinafter "Subject Property") pursuant to Section 363 of the Bankruptcy Code with all purported liens to attach to the proceeds of sale pending further order of the Court.
4. On June 5, 2000, this Court also entered an Order approving the employment of Hack's Auction and Realty Service, Inc., as Auctioneers for the Trustee to sell the Subject Property.
5. The Subject Property was tentatively divided into three separate parcels in order to obtain the maximum price for the Subject Property.
6. Heritage Engineering is in the process of completing a survey of the land, and until the survey is completed, the sale price of each of the Parcels is approximate as the Parcels were sold per acre.

FILED JUL 27 2000

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7. Parcel I, consisting of 76.9 acres of bare farm land with frontage on Pecatonica and Brick School Roads was purchased by McAviation Corporation for \$1,550.00 per acre for an estimated purchase price of \$119,195.00 and \$11,900.00 was paid by the purchaser as earnest money. A copy of the Contract is attached and incorporated as Exhibit "1".

8. Parcel II, consisting of 24.5 acres of land with woods located on Green Road was purchased by Alan F. Miller for \$2,825.00 per acre for an estimated purchase price of \$69,212.50, and \$6,900.00 was paid by the purchaser as earnest money. A copy of the Contract is attached and incorporated as Exhibit "2".

9. Parcel III, consisting of 80 acres and the homesite and other out buildings, was purchased by McAviation Corporation for \$1,750.00 per acre for an estimated purchase price of \$140,000.00 and \$14,000.00 was paid by the purchaser as earnest money. A copy of the Contract is attached and incorporated as Exhibit "3".

10. The estimated gross receipts from the auction totaled \$328,407.50, with \$32,800.00 paid as earnest money.

11. The following are the deductions for the cost of the auction and anticipated closing costs:

a.	Cost of Advertising:	\$1,137.90
b.	Commission of 5% to Hack's Auction and Realty Service, Inc.	\$16,420.38
c.	Cost of Survey to Heritage Engineers	\$3,300.00(estimated)
d.	Normal and customary costs, including title insurance, transfer taxes, etc...	\$3,000.00(estimated)
e.	Attorneys' fees	<u>\$1,800.00</u>
	TOTAL	\$25,658.28

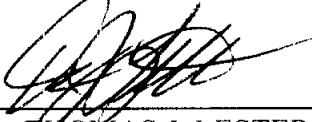
12. The Subject Property was sold free and clear of all liens with all liens attaching to the proceeds of sale pending further order of the Court.

Dated: 7/27/00

Respectfully submitted,

THOMAS J. LESTER, Trustee

BY: HINSHAW & CULBERTSON

BY: 
THOMAS J. LESTER
One of Its Attorneys

HINSHAW & CULBERTSON
100 Park Avenue
P.O. Box 1389
Rockford, IL 61105-1389
(815) 963-8488

218905.1

CONTRACT FOR PURCHASE AND SALE

WHEREAS, on June 5, 2000, the United States Bankruptcy Court for the Northern District of Illinois, Western Division, in connection with the bankruptcy case of Clarence Lane Vance, Case No. 97 B 50687, entered an Order approving the sale of certain real estate free and clear of all liens in accordance with 11 U.S.C. §363.

WHEREAS, in accordance with said Order, Hack's Auction and Realty Service, Inc., auctioned the real estate more specifically described below and the undersigned Buyer was the highest and best offer at said auction.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned agrees as follows:

1. The successful bidder at the auction for the parcel property identified below (hereinafter be referred to as "Buyer") is:

BUYER:

MC Aviation Corp.
Name *ATTN: Joe McGuire*

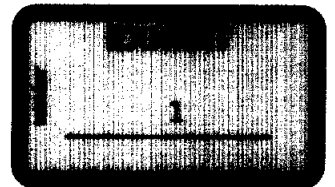
7150 Hayvenhurst Ave, Suite 100
Address

Van Nuys, California 91406

(818) 904-9860
Phone Number

Social Security Number

2. Buyer hereby agrees to purchase the following described real estate located in Winnebago County, Illinois hereby identified as Parcel 1 in Attachment "A" containing 76.9 acres more or less of bare farm land located on the southeast corner of Pecatonica and Brick School Roads.



3. Buyer agrees to pay the Seller, Thomas J. Lester, Trustee of the Bankruptcy Estate of Clarence L. Vance, the sum of \$ 1550 per acre payable as \$ 11,900.00 as earnest money to be applied to the purchase price and the balance payable in cash at the time of closing.

4. This Contract and the agreements herein contained to sell the real property are subject to the Seller obtaining approval of the U.S. Bankruptcy Court of the sale prior to any closing in accordance with 11 U.S.C. §363 of the United States Bankruptcy Code. This Contract shall be void and Buyer's earnest money returned if approval is not received prior to closing.

5. This transaction shall close within ten (10) days after the Bankruptcy Court Order approving the sale is entered. Seller shall deliver at time of closing a Trustee's Deed in accordance with 11 U.S.C. §363 conveying free and clear of liens and encumbrances (except as set forth herein) all of the interest of the Bankruptcy Estate in and to the property to the Buyer. Buyer hereby acknowledges that if there are existing crops growing on the property, that the party that planted the crops shall be entitled to harvest the same, without any payment to Buyer.

6. Pro rations for real estate taxes shall be made as of the closing with the tax pro rations based upon the latest available information.

7. Buyer accepts the premises in an "as is" condition as of the date of this Contract. Seller makes no warranties in connection with this sale.

8. The earnest money shall be held in escrow by Hack's Auction and Realty Service, Inc. for the mutual benefit of the parties and shall be disbursed according to the terms of this Contract.

9. Seller shall be required to furnish a survey to the Buyer.

10. Seller shall furnish current title insurance commitment in the amount of the purchase price prior to closing and final policy thereafter, at Seller's expense, showing merchantable title subject only to the following permitted exceptions:

- a. all taxes and special assessments confirmed prior to closing;
- b. building and building line use and occupancy restrictions, conditions and covenants of record;
- c. zoning laws and ordinances;
- d. easements for the use of public utilities;
- e. roads and highways;
- f. drainage ditches, feeders and laterals.

None of the foregoing exceptions shall be considered permitted exceptions if they are violated by the existing improvements or present use of the premises or if they materially restrict the reasonable use of the property as Buyer's residence.

11. If Seller cannot deliver merchantable title to Buyer at closing, subject only to the permitted exceptions, this Contract, at Buyer's option shall be void and earnest money shall be returned.

12. If prior to delivery of deed or agreement for deed the improvements on the premises are destroyed or materially damaged by fire or other casualty, Buyer shall have the option of declaring this Contract null and void and receive a refund of earnest money paid or accept the premises as damaged.

13. Should the Buyer fail to perform this Contract promptly at the time and in the manner herein specified, the earnest money shall, at Seller's option, be forfeited by the Buyer as liquidated damages, and this Contract shall become null and void, and the Seller shall then have the right of possession of the premises. Time is of the essence of this Contract and of all the terms and conditions hereof. In the event Seller does not elect to accept forfeiture of earnest money, Seller shall be entitled to exercise all other legal remedies available.

14. At closing, Seller shall convey merchantable title to the property pursuant to 11 U.S.C. §363 of the Bankruptcy Code subject to the permitted exceptions, to Buyer or whomever Buyer may

direct by stamped recordable deed. At the same time, the remainder of the purchase price or any further part of it due shall then be paid and all documents relative to the transaction shall be signed and delivered.

15. The parties agree to comply with the following federal or state acts, if applicable:
- a. Federal Real Estate Settlement Procedures Act (RESPA)
 - b. Illinois Real Estate Transfer Tax Act with Seller to pay all transfer taxes due at closing.
 - c. The Illinois Smoke Detector Act with Seller to provide all required smoke detectors in operating condition.

16. For purposes of execution of this Contract and providing subsequent notices, any signed documents transmitted by FAX shall be treated as original documents.

17. This document represents the entire agreement and shall be binding upon the parties, their heirs, successors and assigns.

NOTICE TO BUYER

BY THE SIGNING OF THIS CONTRACT YOU ARE ENTERING INTO A BINDING LEGAL AGREEMENT, ANY REPRESENTATION UPON WHICH YOU RELY SHOULD BE INCLUDED IN THIS AGREEMENT. NO ORAL REPRESENTATION WILL BE BINDING UPON OR AN OBLIGATION OF THE SELLER OR AUCTIONEER.

Dated: 7-20-00

BUYER:

Ruth Mayo for MCAviation Corp.
Ruth Mayo, ITS Authorized Agent

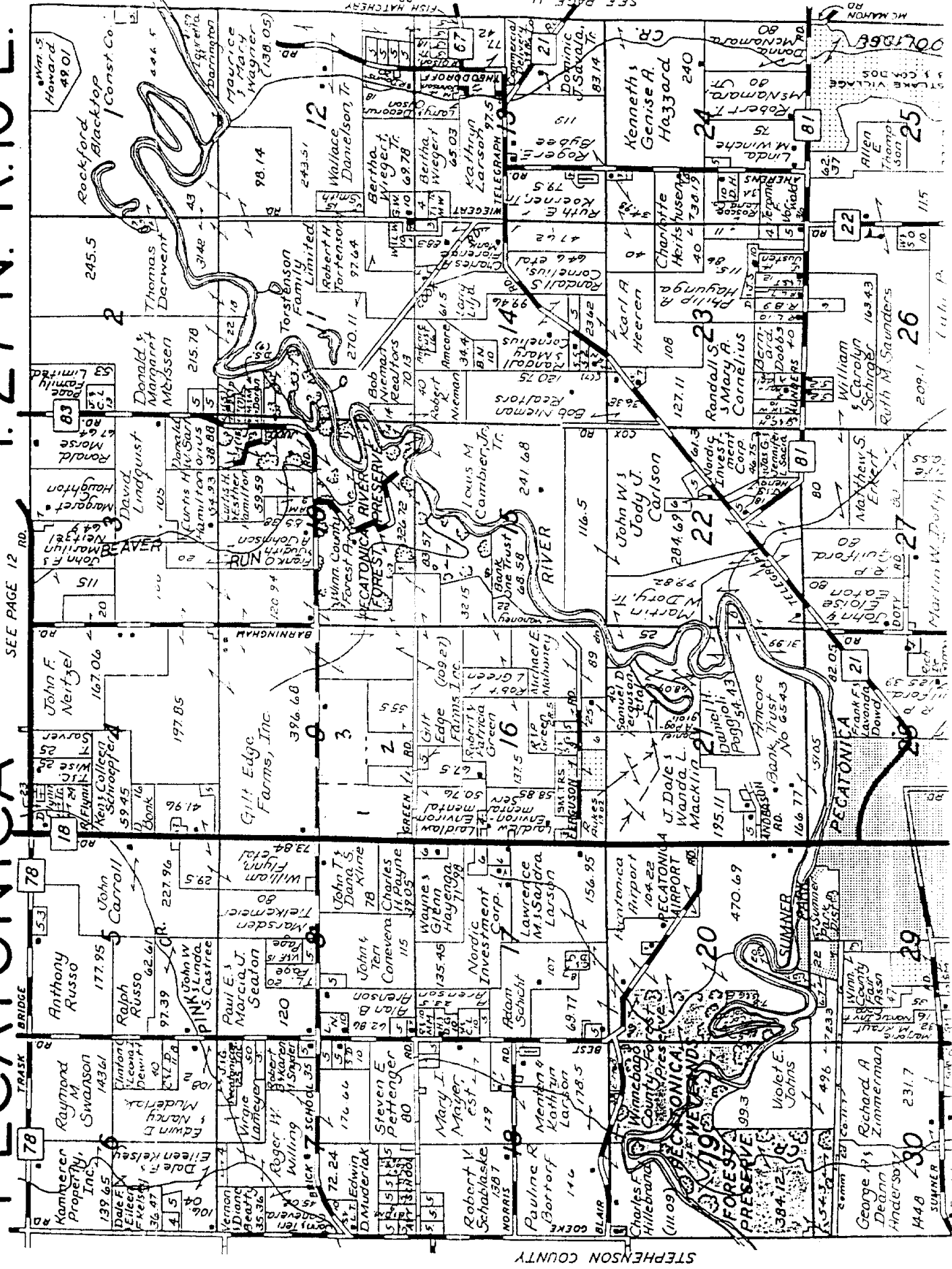
Accepted By:

Thomas J. Lester
Thomas J. Lester, Trustee of the Bankruptcy
Estate of Clarence L. Vance

219678.1

PECATONICA

T. 27 N.-R. 10 E.



SEE PAGE 12 RD.

SEE PAGE 11

STEPHENSON COUNTY



Handwritten notes:
 620000
 191
 191
 191

Parcel 1:

Containing 76.9 acres more or less of bare farm land located on the southeast corner of Pecatonica and Brick School Roads.

T-276

580

11.7E
T-280

2.1E
191

1.1E
14.2

4.1E
581
12.9

T-7445

1.2

CONTRACT FOR PURCHASE AND SALE

WHEREAS, on June 5, 2000, the United States Bankruptcy Court for the Northern District of Illinois, Western Division, in connection with the bankruptcy case of Clarence Lane Vance, Case No. 97 B 50687, entered an Order approving the sale of certain real estate free and clear of all liens in accordance with 11 U.S.C. §363.

WHEREAS, in accordance with said Order, Hack's Auction and Realty Service, Inc., auctioned the real estate more specifically described below and the undersigned Buyer was the highest and best offer at said auction.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned agrees as follows:

1. The successful bidder at the auction for the parcel property identified below (hereinafter be referred to as "Buyer") is:

BUYER:

Alan F. Miller

Name

411 Shudder Drive

Address

Louis Park, Ill. 61111

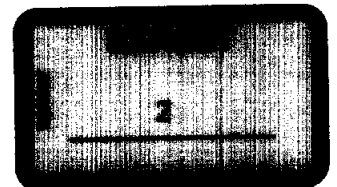
(815) 633-8683

Phone Number

485-14-0234

Social Security Number

2. Buyer hereby agrees to purchase the following described real estate located in Winnebago County, Illinois hereby identified as Parcel 2 in Attachment "A" hereto containing 24.5 acres more or less located on Green Road.



3. Buyer agrees to pay the Seller, Thomas J. Lester, Trustee of the Bankruptcy Estate of Clarence L. Vance, the sum of \$ 25005 per acre payable as \$ 6,900.00 as earnest money to be applied to the purchase price and the balance payable in cash at the time of closing.

4. This Contract and the agreements herein contained to sell the real property are subject to the Seller obtaining approval of the U.S. Bankruptcy Court of the sale prior to any closing in accordance with 11 U.S.C. §363 of the United States Bankruptcy Code. This Contract shall be void and Buyer's earnest money returned if approval is not received prior to closing.

5. This transaction shall close within ten (10) days after the Bankruptcy Court Order approving the sale is entered. Seller shall deliver at time of closing a Trustee's Deed in accordance with 11 U.S.C. §363 conveying free and clear of liens and encumbrances (except as set forth herein) all of the interest of the Bankruptcy Estate in and to the property to the Buyer. Buyer hereby acknowledges that if there are existing crops growing on the property, that the party that planted the crops shall be entitled to harvest the same, without any payment to Buyer.

6. Pro rations for real estate taxes shall be made as of the closing with the tax pro rations based upon the latest available information.

7. Buyer accepts the premises in an "as is" condition as of the date of this Contract. Seller makes no warranties in connection with this sale.

8. The earnest money shall be held in escrow by Hack's Auction and Realty Service, Inc. for the mutual benefit of the parties and shall be disbursed according to the terms of this Contract.

9. Seller shall be required to furnish a survey to the Buyer.

10. Seller shall furnish current title insurance commitment in the amount of the purchase price prior to closing and final policy thereafter, at Seller's expense, showing merchantable title subject only to the following permitted exceptions:

- a. all taxes and special assessments confirmed prior to closing;
- b. building and building line use and occupancy restrictions, conditions and covenants of record;
- c. zoning laws and ordinances;
- d. easements for the use of public utilities;
- e. roads and highways;
- f. drainage ditches, feeders and laterals.

None of the foregoing exceptions shall be considered permitted exceptions if they are violated by the existing improvements or present use of the premises or if they materially restrict the reasonable use of the property as Buyer's residence.

11. If Seller cannot deliver merchantable title to Buyer at closing, subject only to the permitted exceptions, this Contract, at Buyer's option shall be void and earnest money shall be returned.

12. If prior to delivery of deed or agreement for deed the improvements on the premises are destroyed or materially damaged by fire or other casualty, Buyer shall have the option of declaring this Contract null and void and receive a refund of earnest money paid or accept the premises as damaged.

13. Should the Buyer fail to perform this Contract promptly at the time and in the manner herein specified, the earnest money shall, at Seller's option, be forfeited by the Buyer as liquidated damages, and this Contract shall become null and void, and the Seller shall then have the right of possession of the premises. Time is of the essence of this Contract and of all the terms and conditions hereof. In the event Seller does not elect to accept forfeiture of earnest money, Seller shall be entitled to exercise all other legal remedies available.

14. At closing, Seller shall convey merchantable title to the property pursuant to 11 U.S.C. §363 of the Bankruptcy Code subject to the permitted exceptions, to Buyer or whomever Buyer may

direct by stamped recordable deed. At the same time, the remainder of the purchase price or any further part of it due shall then be paid and all documents relative to the transaction shall be signed and delivered.

15. The parties agree to comply with the following federal or state acts, if applicable:

- a. Federal Real Estate Settlement Procedures Act (RESPA)
- b. Illinois Real Estate Transfer Tax Act with Seller to pay all transfer taxes due at closing.
- c. The Illinois Smoke Detector Act with Seller to provide all required smoke detectors in operating condition.

16. For purposes of execution of this Contract and providing subsequent notices, any signed documents transmitted by FAX shall be treated as original documents.

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Dated: 7-20-2000

BUYER:

Alan T. Miller

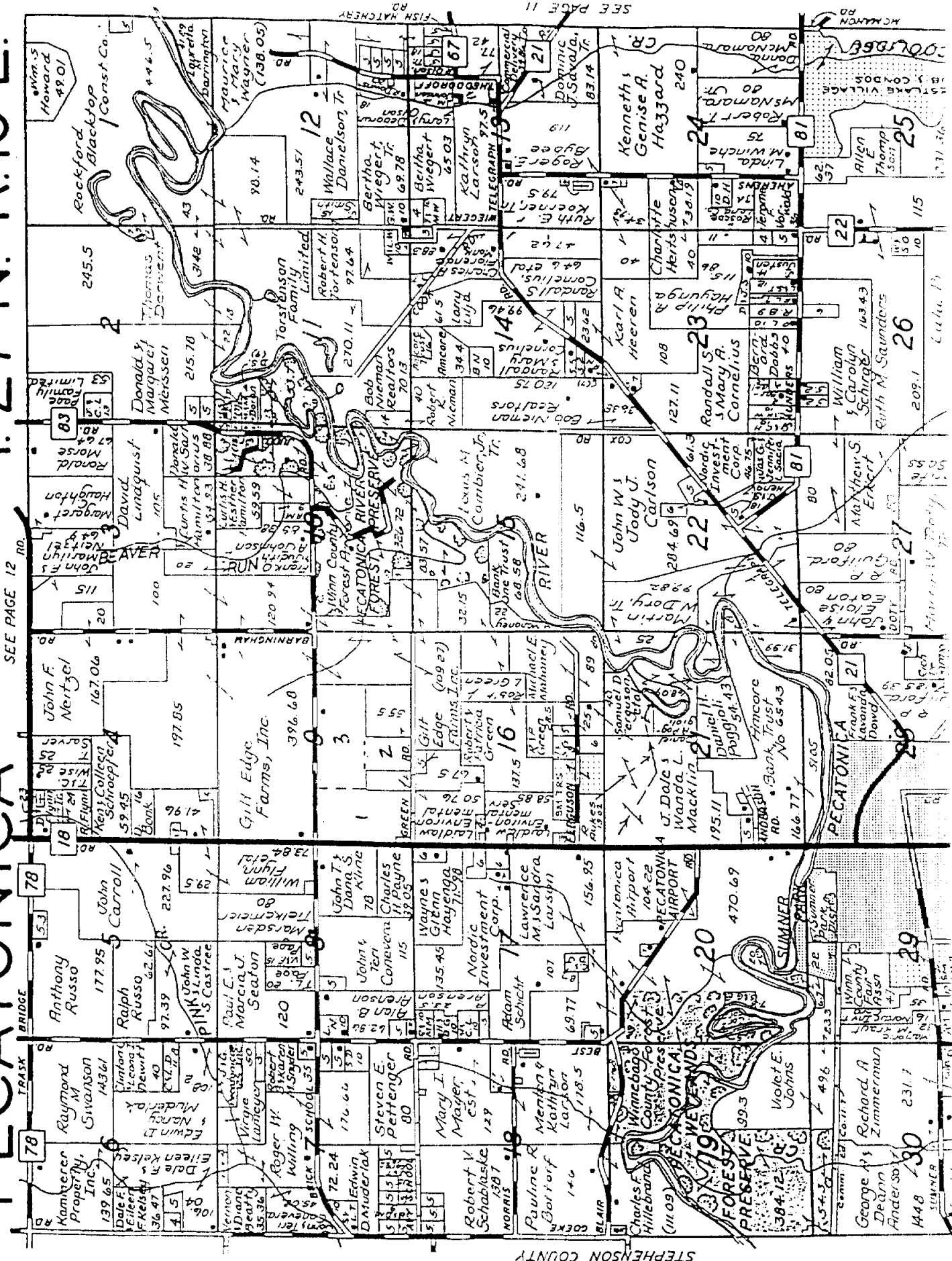
Accepted By:

Thomas J. Lester, Trustee
Thomas J. Lester, Trustee of the Bankruptcy
Estate of Clarence L. Vance

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PECATONICA

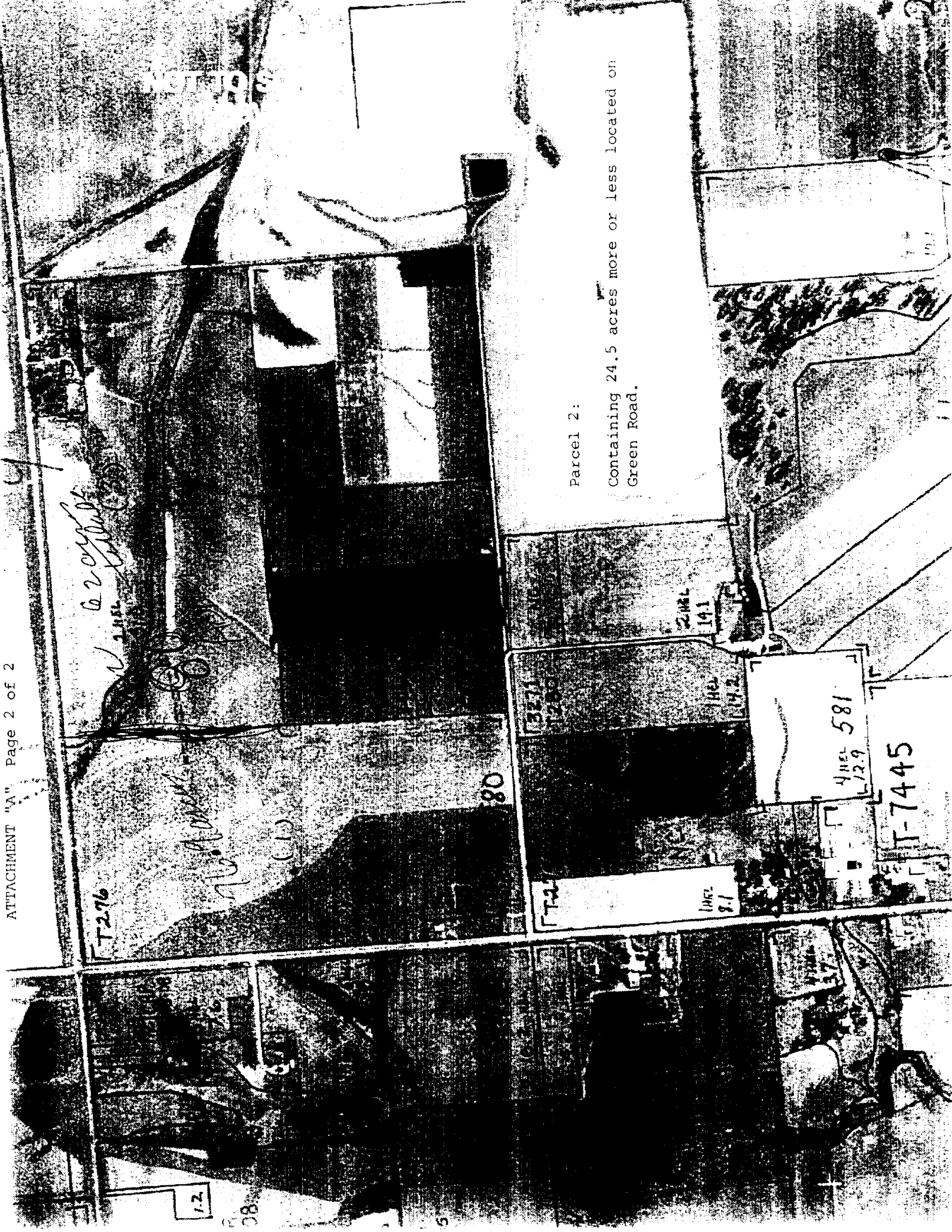
T. 27 N.-R. 10 E.



STEPHENSON COUNTY

SEE PAGE 12 RD.

SEE PAGE 11



Parcel 2:

Containing 24.5 acres more or less located on Green Road.

T-276

N. Green Road

80

T-2

1371
12.5

2.142
141

146
14.2

4.142
581
12.9

T-7445

12

14

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WHEREAS, on June 5, 2000, the United States Bankruptcy Court for the Northern District of Illinois, Western Division, in connection with the bankruptcy case of Clarence Lane Vance, Case No. 97 B 50687, entered an Order approving the sale of certain real estate free and clear of all liens in accordance with 11 U.S.C. §363.

WHEREAS, in accordance with said Order, Hack's Auction and Realty Service, Inc., auctioned the real estate more specifically described below and the undersigned Buyer was the highest and best offer at said auction.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned agrees as follows:

1. The successful bidder at the auction for the parcel property identified below (hereinafter be referred to as "Buyer") is:

BUYER:

Mc Aviation Corp

Name *Attn: Joe McGuire*

7150 Hayviewhurst Ave, Suite 100

Address

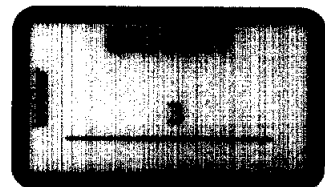
Van Nuys, California 91406

(818) 904-9860

Phone Number

Social Security Number

2. Buyer hereby agrees to purchase the following described real estate located in Winnebago County, Illinois hereby identified as Parcel 3 in Attachment "A" hereto containing 80 acres more or less with farm house and buildings, and commonly known as 15858 Brick School Road.



3. Buyer agrees to pay the Seller, Thomas J. Lester, Trustee of the Bankruptcy Estate of Clarence L. Vance, the sum of \$ 1,750 per acre payable as \$ 14,000.00 as earnest money to be applied to the purchase price and the balance payable in cash at the time of closing.

4. This Contract and the agreements herein contained to sell the real property are subject to the Seller obtaining approval of the U.S. Bankruptcy Court of the sale prior to any closing in accordance with 11 U.S.C. §363 of the United States Bankruptcy Code. This Contract shall be void and Buyer's earnest money returned if approval is not received prior to closing.

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Dated: 07-20-00

BUYER:

Ruth Mayo for MC Auction Corp
Ruth Mayo, Its Authorized Agent

Accepted By:

Thomas J. Lester, Trustee
Thomas J. Lester, Trustee of the Bankruptcy
Estate of Clarence L. Vance

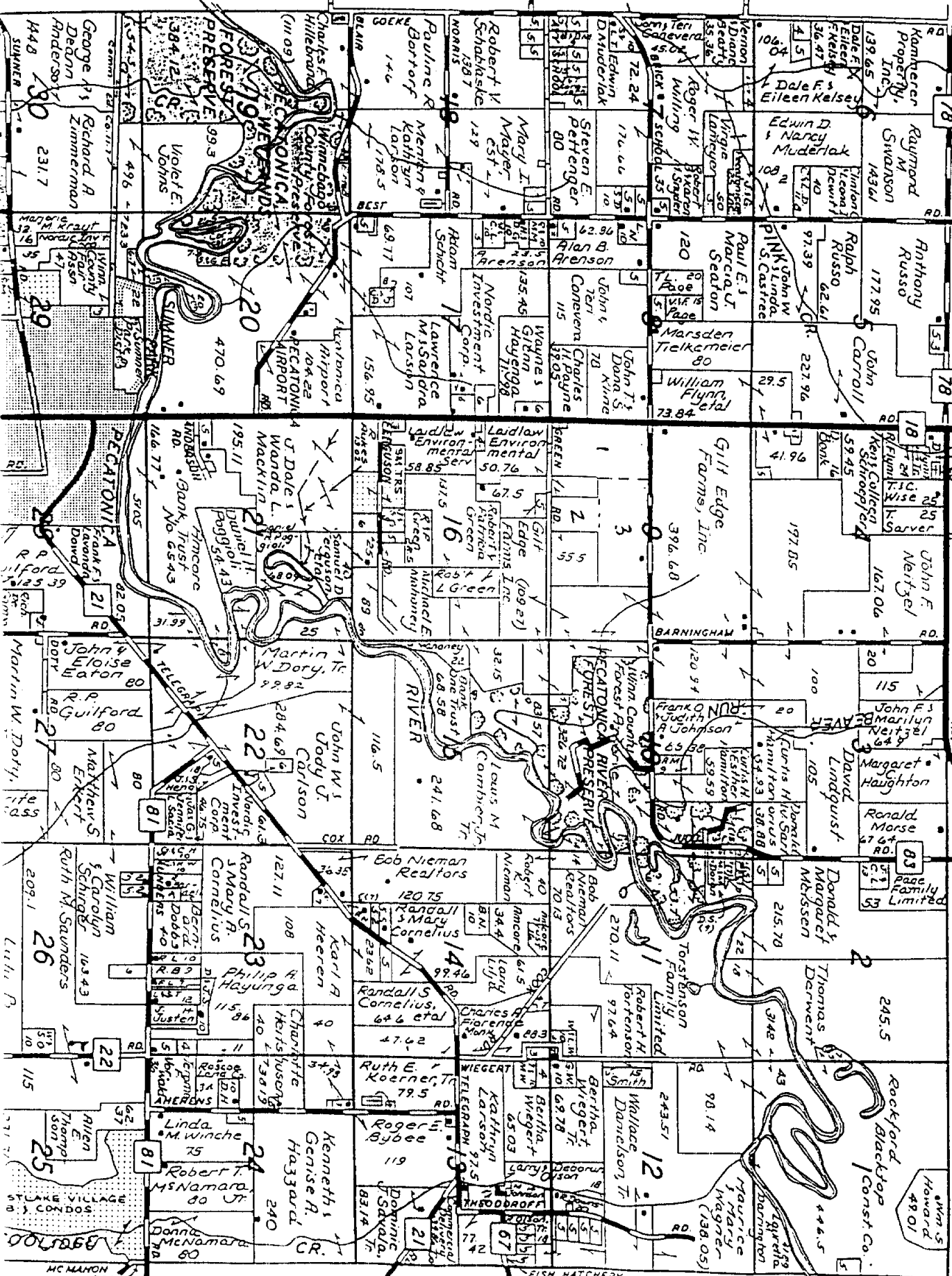
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SEE PAGE 12 RD.

T.27 N.-R.10 E.

STEPHENSON COUNTY



SEE PAGE 11

