



MATTHEW D. METZGER (SBN 240437) Signed and Filed: July 25, 2022

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A handwritten signature in cursive script that reads "Dennis Montali".

Attorney for Reorganized Debtors

DENNIS MONTALI
U.S. Bankruptcy Judge

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

In re
LUCERO LLC *et al.*,
Debtors.

Case No. 22-30058 DM 11
Case No. 22-30059 DM 11

Chapter 11

(Jointly Administered)

CONFIRMATION HEARING

Date: June 16, 2022

Time: 9:30 a.m.

Room: Via Tele/Videoconference
www.canb.uscourts.gov/calendars

Courtroom 17
Phillip Burton Federal Building
450 Golden Gate Avenue
16th Floor
San Francisco, CA 94102

Hon. Dennis Montali

AMENDED
ORDER CONFIRMING PLAN AS MODIFIED
AND
ORDER OF DISCHARGE

1 The plan under chapter 11 of the Bankruptcy Code filed by jointly-administered debtors in
2 possession Lucero LLC (the “**LLC**”) and The Elba Lucero Family Trust dated December 12, 1986
3 and Amended and Restated August 10, 2005 (the “**Business Trust**”) filed on June 9, 2022 [Dkt
4 no. 74, the “Plan”], having been transmitted to creditors and equity security holders; and

5 It having been determined after hearing on notice that the requirements for consensual
6 confirmation set forth in 11 U.S.C. § 1129(a) and 1191(a) have been satisfied;

7 It having been determined that the Plan, as modified, meets the requirements of 11 U.S.C.
8 §§ 1122 and 1123 and was permissibly modified pursuant to 11 U.S.C. § 1193(a);

9 It having been determined that the Plan, as modified, does not adversely change the
10 treatment of the claim of any creditor or the interest of any equity security holder who has not
11 accepted in writing the modification, is, pursuant to Federal Rule of Bankruptcy Procedure
12 3019(a), deemed accepted by all creditors who have previously accepted the Plan.

13 Article 9 of the Plan stating as follows:

14 If the Debtor’s Plan is confirmed under § 1191(a), on the effective date of the
15 Plan, the Debtor will be discharged from any debt that arose before confirmation
16 of this Plan, to the extent specified in § 1141(d)(1)(A) of the [Bankruptcy] Code,
except that Debtor will not be discharged of any debt: (i) imposed by the Plan; or
(ii) to the extent provided in § 1141(d)(6).

17 IT IS ORDERED that:

- 18 1. The Plan, as modified in docket number 74, is confirmed consensually per § 1191(a).
- 19 2. An Order of Discharge is GRANTED to Lucero LLC as described under Article 9 of
20 the Plan.
- 21 3. An Order of Discharge is GRANTED to The Elba Lucero Family Trust dated
22 December 12, 1986 and Amended and Restated August 10, 2005 as described under Article 9 of
23 the Plan.
- 24 4. The Debtors shall serve notice of entry of the instant order to all creditors.

25
26 **** END OF ORDER ****
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COURT SERVICE LIST

All ECF Recipients.

22n Fill in this information to identify the case:

Debtors name: Lucero LLC et al.

United States Bankruptcy Court for the: NORTHERN DISTRICT OF CALIFORNIA

Case number (if known) 22-30058 DM 11; 22-30059 DM 11

Check if this is an amended filing

Official Form 425A

Plan of Reorganization for Small Business Under Chapter 11

02/20

Lucero LLC et al.'s Plan of Reorganization, Dated June 9, 2022

Background for Cases Filed Under Subchapter V

A. Description and History of the Debtors' Business

Lucero LLC (the "LLC") and The Elba Lucero Family Trust dated December 12, 1986 and Amended and Restated August 10, 2005 (the "Business Trust") as debtors and debtors in possession (collectively, the "Lucero Estates" or the "Debtors") in the above-captioned chapter 11 cases (the "Chapter 11 Cases") hereby present a joint chapter 11 plan of reorganization (the "Plan").

The Debtors operate a residential real-estate rental income business involving 11 real properties. The Debtors have operated under the terms of a trust agreement that has operated as a business trust since the trust was amended and restated on August 10, 2005. The Business Trust was restated on August 10, 2005 in order to operate as a Business Trust, while Henry Lucero, and Mary Lucero, the successor co-trustees, wound down the Business Trust and began transferring the real properties into the Lucero LLC, by and through counsel. The grantor (mother) died December 18, 2011 but the wind-down was delayed due to unanticipated tax consequences related to surprise re-assessment taxes that were triggered during the first attempt to transfer the assets from the Business Trust into the LLC while the Lucero's mother was still alive. The unanticipated re-assessment taxes were triggered because the ratio of ownership changed from 3 (mother, Henry Lucero, Mary Lucero) to 2 (Henry Lucero, Mary Lucero). The Debtors subsequently incurred secured debt to pay all re-assessment taxes and to assist with the maintenance of each property. When rental income dropped during the ongoing Covid-19 pandemic, the Debtors fell-behind in debt-service. The Debtors attempted to save the real properties from foreclosure by hiring a foreclosure defense counsel; however, the efforts were unsuccessful and the Debtors lost two (2) properties to foreclosure on December 14, 2021.

The Debtors entered into a finite number of forbearance agreements; however, the pre-petition forbearance agreements provided no cure of default period and would enable the lienholder to foreclose the day after a default. With trustee sales continued to track the forbearance payment due dates, the Debtors sought chapter 11 protection to not lose any more real properties to foreclosure and to restructure a more feasible plan to pay and reinstated the secured debt on all real properties.

B. Liquidation Analysis

To confirm the Plan, the Court must find that all creditors and equity interest holders who do not accept the Plan will receive at least as much under the Plan as such claim and equity interest holders would receive in a chapter 7 liquidation. A liquidation analysis is attached to the Plan as Exhibit "A".

C. Ability to make future plan payments and operate without further reorganization

The Plan Proponent must also show that it will have enough cash over the life of the Plan to make the required Plan payments and operate the Debtors' business.

The Plan Proponent has provided projected financial information as Exhibit B, (the "feasibility analysis"). Said feasibility analysis calculates calculates feasibility both on a monthly basis and as of the Plan's Effective Date. The monthly projection of income and expenses is based on reasonable forward-looking projections made for all income and expense categories. Projected financial performance, together with the estimated \$726,807.16 in additional reserves, shows monthly income and related capital liquidity sufficient to make the payments proposed in the Plan.

The Plan Proponent's financial projections show that the Debtors will have projected disposable income (as defined by § 1191(d) of the Bankruptcy Code) for the period described in § 1191(c)(2) of \$ 362.80, as detailed on Exhibit B.

The final Plan payment is expected to be paid on January 1, 2025.

You should consult with your accountant or other financial advisor if you have any questions pertaining to these projections.

Name

Article 1: Summary

This Plan of Reorganization (the *Plan*) under chapter 11 of the Bankruptcy Code (the *Code*) proposes to pay creditors of the LLC and the **Business Trust** (the *Debtors*) from [Specify sources of payment, such as an infusion of capital, loan proceeds, sale of assets, cash flow from operations, or future income].

This Plan provides for: 23 class of priority claims;
21 class of secured claims;
2 class of non-priority unsecured claims; and
1 class of equity security holders.

Non-priority unsecured creditors holding allowed claims will receive distributions, which the proponent of this Plan has valued at approximately 100 cents on the dollar, with interest payable at 0.45% (2022 federal post-judgment interest rate per 28 U.S.C. § 1961).

This Plan also provides for the payment of administrative and priority claims.

All creditors and equity security holders should refer to Articles 3 through 6 of this Plan for information regarding the precise treatment of their claim. **Your rights may be affected. You should read these papers carefully and discuss them with your attorney, if you have one. If you do not have an attorney, you may wish to consult one.**

Article 2: Classification of Claims and Interests

2.01 **Class 1**..... All allowed claims entitled to priority under § 507(a) of the Code (except administrative expense claims under § 507(a)(2), including but not limited to governmental tax claims and tenant deposits. Claims in this class are:

- Class 1A** – Franchise Tax Board, amount: \$1,699.36 (Case # 22-30058, Claim 1-1)
- Class 1B** – Adrienne Lovelund, Rebeccalyn Bilodeau, amount: \$3,204.00 (Case # 22-30059, Claim 1-1)
- Class 1C** – Abdelhamid Lamsika, amount: \$1,700.00
- Class 1D** – Jose G. Castro, Ilsa Guevara, amount: \$2,500.00
- Class 1E** – Alan Martin, amount: \$0.00
- Class 1F** – Armando Anaya Ramirez, amount: \$900.00
- Class 1G** – Brent Delf, Juliet Fox, amount: \$3,800.00
- Class 1H** – Casey Issenmann, amount: \$1,700.00
- Class 1I** – Clay Wong, Maria Wong, amount: \$3,000.00
- Class 1J** – Eduardo Bernabe Murcia Vel Lopemurcia, Carlos Ernesto Murcio, amount: \$1,250.00
- Class 1K** – Ernesto Cabrera, Maria Y Navarijo, Gerson Cabrera, Brenda Cabrera, amount: \$0.00
- Class 1L** – Felipe Peralta, Susan Peralta, amount: \$800.00
- Class 1M** – Ignacio Lopez, Allison Barr, amount: \$1,775.00
- Class 1N** – Jesus Barrajas, Alma Rosa, amount: \$850.00
- Class 1O** – Jonathan Van Nuys, Abel Perez, amount: 3,400.00
- Class 1P** – Jose Vega, Veronica Vega, Leticia Vega, amount: \$875.00
- Class 1Q** – Juan Martinez Mendoza, Alicia Ramirez, Brittany Mendoza Riox, amount: \$1,295.00
- Class 1R** – Nayeli Martinez, amount: \$850.00
- Class 1S** – Paloma Martinez, amount: \$0.00
- Class 1T** – Peter Jenkins, Monica Jenkins, amount: \$0.00
- Class 1U** – Steven Daubenspech, Ann Maria Bathhold, Christina Deboisis, amount: \$0.00
- Class 1V** – Susan Williams, amount: \$0.00
- Class 1X** – Valerioa B. Yoc Bautista, Paulina J Cinto Bamaca, amount: \$3,200.00

Name

2.02 **Class 2**..... All statutorily secured property tax claims of county tax collectors, identified as follows:

Class 2A – All secured property tax claims of the San Mateo County Tax Collector re real property commonly known as 453 Grand Ave, South San Francisco, A.P.N. 012-305-0803.

Class 2B – All secured property tax claims of the Sonoma County Tax Collector re real property commonly known as 909, 911, 915, 917 Hendley St., Santa Rosa, CA 95404, A.P.N. 009-316-023.

Class 2C – All secured property tax claims of the Santa Clara County Tax Collector re real property commonly known as 1676 Ontario Dr., Santa Clara, CA 94087, A.P.N. 323-35-071.

Class 2D – All secured property tax claims of the San Mateo County Tax Collector re real property commonly known as 449 E. Market St., Daly City, CA 94014, A.P.N. 006-467-080.

Class 2E – All secured property tax claims of the Sonoma County Tax Collector re real property commonly known as 2721, 2727 Victoria Dr., 95404, A.P.N. 043-084-006.

Class 2F – All secured property tax claims of the San Francisco County Tax Collector

Class 3A – Jim Arthur Beach re: recorded deed of trust on real property commonly known as 453 Grand Ave, South San Francisco, A.P.N. 012-305-0803.

Class 3B – Towd Point Mortgage Trust 2019HY1, U.S. Bank National Association, as Indenture Trustee re: recorded deed of trust on real property commonly known as 1676 Ontario Dr., Santa Clara, CA 94087, A.P.N. 323-35-071.

Class 3C – Pensco Trust Company LLC Custodian FBO Anthony Petruzzella IRA c/o Parker Kline Finance & Investment re: recorded deed of trust on real property commonly known as 1254 Shelter Creek Ln, San Bruno, CA, 94066, A.P.N. 101-700-500

Class 3D – IRA Services Trust Company CFBO Michael R. Clark IRA Account #741619 re: recorded deed of trust on real property commonly known as 585 Ellsworth, San Francisco, CA 94110, A.P.N. 5725-016.

Class 3E – IRA Services Trust Company CFBO Mark Scafina IRA 330073 re: recorded deed of trust on Real commonly known as 1676 Ontario Dr., Santa Clara, CA 94087, A.P.N. 323-35-071.

Class 3F Pamela R Kushner Living Trust, Trustee Pamela R Kushner a/k/a LC Equity Group, Inc. re: recorded deed of trust on real property commonly known as 929 Hendley Street, Santa Rosa, CA 95404, A.P.N. 009-316-023.

Class 3G – John Barden, Leslee Barden and Natalie Panos re: recorded deed of trust on real property commonly known as 449 E. Market St., Daly City, CA 94014, A.P.N. 006-467-080.

Class 3H – Parker Kline Finance & Investment re: recorded deed of trust on real property commonly known as 909, 911, 915, 917 Hendley St., Santa Rosa, CA 95404, A.P.N. 009-316-023.

Class 3I – Parker Kline Finance & Investment re: recorded deed of trust on real property commonly known as 2721, 2727 Victoria Dr., 95404, A.P.N. 043-084-006.

Class 3J – John Karl Richardson, Trustee of the Richardson Family 2012 Trust, dated June 1, 2012 and Barbara Smith. c/o Parker Kline Finance & Investment re: recorded deed of trust on real property commonly known as 3333 26th Street, San Francisco, CA 94110 A.P.N 6571-022.

Class 3K – Thomas and Gloria Arnold Revocable Trust, dated May 19, 2005 and Karl Richardson, Trustee of the Richardson Family 2012 Trust, dated June 1, 2012, c/o Parker Kline Finance & Investment re: recorded deed of trust on real property commonly known as 3381A, 3382B, 3382C, 3384 22nd Street, SF, CA 94110, A.P.N. 3617-025.

Class 3L – Nick J. Corcoleotes and Michelle L. Corcoleotes, Trustees of the Nick and Michelle Corcoleotes 2001 Revocable Trust Dated March 19, 2001 re: recorded deed of trust on real property commonly known as 1010 Alabama St., San Francisco, CA 94110, A.P.N. 4148-003.

Name

Class 3M – Chantal J. Le Floch, Trustee of Chantal J. Le Floch Living Trust re: recorded deed of trust on real property commonly known as 971, 973, 975 Guerrero St., SF, CA 944110, San Francisco, CA 94110, A.P.N. 3617-030.

Class 3N – Mary Ellen Kelly re Trustee re: recorded deed of trust on real property commonly known as 971, 973, 975 Guerrero St., SF, CA 944110, San Francisco, CA 94110, A.P.N. 3617-030.

Class 3O – First Commerce LLC, servicing agent for lienholder re: recorded deed of trust on real property commonly known as 21 Lakewood Circle, San Mateo, CA 94402, A.P.N. 041-641-030

2.03 **Class 4A** All non-priority, non-insider unsecured creditors. See **Exhibit C**.

2.04 **Class 4B** The non-priority, insider claim of Mary Lucero, Successor Co-Trustee (insider non-priority, unsecured claim)

2.05 **Class 5** Equity interests of the Debtors' insiders: 1) Henry Richard Lucero; and 2) Mary Elba Lucero, in the capacities both as equal managing members of Lucero LLC (Case # 22-30058 DM 11) and as Successor-Co Trustees of the Lucero Business Trust (Case # 22-30059 DM 11).

Article 3: Treatment of Administrative Expense Claims, Priority Tax Claims, and Quarterly and Court Fees

3.01 **Unclassified claims** Under section § 1123(a)(1), administrative expense claims, and priority tax claims are not in classes.

3.02 **Administrative expense claims** Each holder of an administrative expense claim allowed under § 503 of the Code will be paid, pursuant to form, amount, and timing of distribution hereinbelow, or if later, at a start date as soon as the Bankruptcy Court enters an order approving a fee application in connection therewith.

Administrative Claimant	Amount	Payment Term
Christopher Hayes Subchapter V Trustee in Case # 22-30058 DM 11 23 Railroad Avenue, #1238 Danville, CA 94526	Est. \$15,000.00	Paid in full on Effective Date, or, if later, following Court approval.
Gina Klump Subchapter V Trustee in Case # 22-30059 DM 11 30 5th Street, Suite 200 Petaluma, CA 94952	Est. \$15,000.00	Paid in full on Effective Date, or, if later, following Court approval.
Matthew D. Metzger Belvedere Legal, PC 1777 Borel Place, Suite 314 San Mateo, CA 94402	Est. \$130,000.00	Paid in full on Effective Date, or, if later, following Court approval.
Richard Pierotti Kokjer, Pierotti, Maiocco & Duck, LLP	Est. \$20,000.00	Paid in full on Effective Date, or, if later, following Court approval.
J. E. Petersen, LLC (bookkeeper)	Est. \$00.00	Bookkeeper will begin rendering services post-confirmation.
Real Estate Broker (lease listing services to source new tenants)	Est. \$00.00	Brokers will begin rendering services post-confirmation as lease listing agents to source new tenants.
Total	Est. \$180,000.00	Paid in full on Effective Date, or, if later, following Court approval.

Name

3.03 **Priority tax claims** Each holder of a priority tax claim will be paid [Specify terms of treatment consistent with § 1129(a)(9)(C) of the Code].

Claimant	Amount	Payment Term
Bankruptcy Section MS A3490 Franchise Tax Board PO Box 2952 Sacramento, CA 95812-2952 (Case # 22-30058, Claim 1-1)	\$1,699.36	One (1) Payment on Effective Date, paid in full, in cash, upon the later of the effective date of this Plan, or the date on which such claim is allowed by a final non-appealable order.
Total	\$1,699.36	Paid in Full on Effective Date

3.04 **Statutory fees** All fees required to be paid under 28 U.S.C. § 1930 that are owed on or before the effective date of this Plan have been paid or will be paid on the effective date.

3.05 **Prospective quarterly fees** Not Applicable. Cases filed under the SBRA do not incur United States trustee fees. See 28 U.S.C. § 1930(a)(6)(A)(amended).

Article 4: Treatment of Claims and Interests Under the Plan

4.01 **Claims and interests shall be treated as follows under this Plan:**

Class	Impairment	Treatment
Class 1 - Priority claims	<input type="checkbox"/> Impaired <input checked="" type="checkbox"/> Unimpaired	<p>For the Class 1A claim of Franchise Tax Board, one (1) Payment on Effective Date, paid in full, in cash, upon the later of the effective date of this Plan, or the date on which such claim is allowed by a final non-appealable order.</p> <p>For tenant deposits in Classes 1B-1X, payable when tenant vacates, per terms of lease agreements, with the exception of Class 1E. Class 1B Creditor Adrienne Lovelund and Rebecalyn Bilodeau (Case No. 22-30059, Claim 7-1) shall receive payment of \$3,204.00 on the Effective Date.</p> <p>For Class 1E (Alan Martin), the Debtors shall pay \$0.00. The Class 1E tenant vacated post-petition with unpaid rent and deposit collected per lease agreement terms.</p>
<p>Class 2A – All secured property tax claims of the San Mateo County Tax Collector re real property commonly known as 453 Grand Ave, South San Francisco, A.P.N. 012-305-0803.</p> <p>San Mateo County Tax Collector 555 County Center, 1st Floor Redwood City, CA 94063</p> <p>(Case # 22-30058, Claim 5-1)</p>	<input type="checkbox"/> Impaired <input checked="" type="checkbox"/> Unimpaired	<p>One (1) Payment on Effective Date, paid in full, in cash, upon the later of the effective date of this Plan, or the date on which such claim is allowed by a final non-appealable order. Amount paid: \$15,813.43, plus any accrued interest up through Effective Date.</p>
<p>Class 2B – All secured property tax claims of the Sonoma County Tax Collector re real property commonly known as 909, 911, 915, 917 Hendley St., Santa Rosa, CA 95404, A.P.N. 009-316-023</p> <p>Sonoma County Tax Collector 585 Fiscal Dr. #100F Santa Rosa, CA 95403</p>	<input type="checkbox"/> Impaired <input checked="" type="checkbox"/> Unimpaired	<p>One (1) Payment on Effective Date, paid in full, in cash, upon the later of the effective date of this Plan, or the date on which such claim is allowed by a final non-appealable order. Amount paid: \$2,043.87, plus any accrued interest up through Effective Date</p>

Name

(Case # 22-30059, Claim 1-1)

Class 2C – All secured property tax claims of the Santa Clara County Tax Collector re real property commonly known as 1676 Ontario Dr., Santa Clara, CA 94087, A.P.N. 323-35-071

Impaired
 Unimpaired

One (1) Payment on Effective Date, paid in full, in cash, upon the later of the effective date of this Plan, or the date on which such claim is allowed by a final non-appealable order. Amount paid by Debtors: \$0.00. \$19,661.00 claim amount was already paid pre-petition by Select Portfolio Servicing, Inc. loan servicer for senior lender on real property commonly known as 1676 Ontario Dr., Santa Clara, CA 94087, A.P.N. 323-35-071. The Debtors disputes the claim and will object to Claim 2-1 if Claim 2-1 is not amended to \$0.00.

County of Santa Clara, Dept. of Tax & Collections
 852 N. First St.
 San Jose, CA 95112

(Case # 22-30059, Claim 2-1)

Class 2D – All secured property tax claims of the San Mateo County Tax Collector re real property commonly known as 449 E. Market St., Daly City, CA 94014, A.P.N. 006-467-080

Impaired
 Unimpaired

One (1) Payment on Effective Date, paid in full, in cash, upon the later of the effective date of this Plan, or the date on which such claim is allowed by a final non-appealable order. Amount paid: \$1,363.56, plus any accrued interest up through Effective Date.

San Mateo County Tax Collector
 555 County Center, 1st Floor
 Redwood City, CA 94063

(Case # 22-30059, Claim 6-1)

Class 2E – All secured property tax claims of the Sonoma County Tax Collector re real property commonly known as 2721, 2727 Victoria Dr., 95404, A.P.N. 043-084-006

Impaired
 Unimpaired

One (1) Payment on Effective Date, paid in full, in cash, upon the later of the effective date of this Plan, or the date on which such claim is allowed by a final non-appealable order. Amount paid: \$10,280.95, plus any accrued interest up through Effective Date.

Sonoma County Tax Collector
 585 Fiscal Dr. #100F
 Santa Rosa, CA 95403

(Case # 22-30059, Claim 8-1)

Class 2F – All secured property tax claims of the San Francisco County Tax Collector

Impaired
 Unimpaired

One (1) Payment on Effective Date, paid in full, in cash, upon the later of the effective date of this Plan, or the date on which such claim is allowed by a final non-appealable order. Amount paid: \$15,660.82, plus any accrued interest up through Effective Date.

City and County of San Francisco Tax Collector, PO Box 7027
 San Francisco, CA 94120-7027

(Case # 22-30059, Claim 15-3)

Class 3A – Jim Arthur Beach re: recorded deed of trust on real property commonly known as 453 Grand Ave, South San Francisco, A.P.N. 012-305-0803.

Impaired
 Unimpaired

Class 3A shall receive a 100% dividend with interest payable per note as follows:

Jim Arthur Beach
 2451 Burlington St.
 Oakland, CA 94602

- 1) Contractual terms remain the same, except as otherwise modified herein.
- 2) Loan reinstated on Effective Date, in exchange for payment of \$53,984.56, inclusive of reasonable attorney's fees, as of June 3, 2022.
- 3) Interest shall continue to accrue at the note rate from the petition date to the date of payoff. Debtor shall be credited for the partial payments made prior to payoff.
- 4) \$1,700 monthly payment. In the event that the property becomes fully rented, the monthly payment

(Case # 22-30058, Claim 2-1)

Name

		<p>amount shall increase to \$2,833.33 for the monthly payment due the month after the property becomes fully rented.</p> <p>5) Balance paid in a balloon payment via cash, sale, or refinance by or before May 1, 2023 to pay loan in full by loan maturity date. Final Balloon payment shall include all funds due at the maturity date including, principal, interest, advances, trustee's fees and attorney's fees, if applicable.</p> <p>6) Est. balance due by May 1, 2023: \$415,000.00</p>
<p>Class 3B – Towd Point Mortgage Trust 2019HY1, U.S. Bank National Association, as Indenture Trustee re: recorded deed of trust on real property commonly known as 1676 Ontario Dr., Santa Clara, CA 94087, A.P.N. 323-35-071</p> <p>Select Portfolio Servicing, Inc. Attn: Remittance Processing, P.O. Box 65450 Salt Lake City, UT 84165-0450</p> <p>(Case # 22-30058, Claim 3-1)</p>	<p><input checked="" type="checkbox"/> Impaired <input type="checkbox"/> Unimpaired</p>	<p>Class 3B shall receive a 100% dividend with interest payable per note as follows:</p> <ol style="list-style-type: none"> 1) Contractual terms remain the same, except as otherwise modified herein. 2) Loan reinstated on Effective Date, in exchange for payment of \$0.00. 3) \$2,183.08 monthly payment, per note terms. 4) approximate contractual loan arrears as of 5/03/2022 totaling \$18,058.38 (consisting of monthly payments from 9/01/2021 through 5/31/2022) will be deferred as a noninterest-bearing principal due as a balloon payment on the maturity date 11/1/2029. 5) Escrow advances not recovered in delinquent payments will not be deferred and will remain on the account to be paid in the ordinary course of business. There is currently escrow due in the amount of \$19,970.50. In addition, there are currently loan level advances of \$149.00 and late charges of \$721.34 that will not be deferred and will show on the monthly statement as due and owing. These will be paid in accordance with the note and mortgage and remain recoverable on the loan. 6) Est. balance due by November 1, 2029: \$189,398.23 7) Debtor's Stipulation with Select Portfolio Servicing, Inc. containing all terms of consensual claim treatment is attached hereto as Exh bit E. If any terms in Debtor's Chapter 11 Plan conflict with the terms of this stipulation the terms of the stipulation in Exh bit E will control. An order confirming the Plan shall constitute an order approving the Debtor's Stipulation with Select Portfolio Servicing, Inc. in Exh bit E.
<p>Class 3C – Pensco Trust Company LLC Custodian FBO Anthony Petruzzella IRA c/o Parker Kline Finance & Investment re: recorded deed of trust on real property commonly known as 1254 Shelter Creek Ln, San Bruno, CA, 94066, A.P.N. 101-700-500</p> <p>Parker Kline Finance & Investment 2777 Cleveland Ave., Suite 113 Santa Rosa, CA 95403</p> <p>(Case # 22-30058, Claim 4-1)</p>	<p><input checked="" type="checkbox"/> Impaired <input type="checkbox"/> Unimpaired</p>	<p>Class 3C shall receive a 100% dividend with interest payable per note as follows:</p> <ol style="list-style-type: none"> 1) Contractual terms remain the same, except as otherwise modified herein. 2) Loan reinstated on Effective Date, in exchange for payment of \$0.00. 3) On Effective Date, Debtor shall pay reasonable legal fee, estimated at ten-thousand dollars (\$10,000). 4) \$859.38 monthly payment. 5) Loan Maturity Date extended from September 1, 2022 to July 31, 2023. 6) Balloon payment paid via cash, sale or refinance by or before July 31, 2023 loan maturity date. 7) Est. balance due by July 31, 2023 : \$125,000.00
<p>Class 3D – IRA Services Trust Company CFBO Michael R. Clark IRA Account #741619 re: recorded deed of trust on real property commonly known</p>	<p><input checked="" type="checkbox"/> Impaired <input type="checkbox"/> Unimpaired</p>	<p>Class 3D shall receive a 100% dividend with interest payable per note as follows:</p> <ol style="list-style-type: none"> 1) Contractual terms remain the same, except as otherwise modified herein.

Name

as 585 Ellsworth, San Francisco, CA
94110, A.P.N. 5725-016.

Michael Clark c/o Forge Trust
POB 7080
San Carlos CA 94070

(Case # 22-30059-DM 11, Claim 3-1)

- 2) Loan reinstated on Effective Date, in exchange for payment of \$9,080.50
- 3) \$2,062.50 monthly payment.
- 4) Loan Maturity Date extended from October 1, 2022 to July 31, 2023.
- 5) Balloon payment paid via cash, sale or refinance by or before July 31, 2023 to pay loan in full by loan maturity date.
- 6) Est. balance due by July 31, 2023 : \$300,000.00

Class 3E – IRA Services Trust Impaired
Company CFBO Mark Scafine IRA Unimpaired
330073 re: recorded deed of trust on
Real commonly known as
1676 Ontario Dr., Santa Clara, CA
94087, A.P.N. 323-35-071

Mark Scafine, The Scafine Group
845 Oak Grove Ave #115 M
Menlo Park, CA 94025

(Case # 22-30059-DM 11, Claim 4-1)

Class 3E shall receive a 100% dividend with interest payable per note as follows:

- 1) Contractual terms remain the same, except as otherwise modified herein.
- 2) Loan reinstated on Effective Date, in exchange for payment of \$50,754 (inclusive off Lender's fees through January 31, 2022 petition date).
- 3) \$2,000 monthly payment.
- 4) Loan Maturity Date extended from December 1, 2022 to July 31, 2023.
- 5) Balloon payment paid via cash, sale or refinance by or before July 31, 2023 loan maturity date.
- 6) Est. balance due by July 31, 2023 : \$300,000.00

Class 3F Pamela R Kushner Living Trust, Trustee Pamela R Kushner a/k/a LC Equity Group, Inc. re: recorded deed of trust on real property Impaired Unimpaired
commonly known as 929 Hendley Street, Santa Rosa, CA 95404, A.P.N. 009-316-023

LC Equity Group, Inc.
5737 Kanan Road, #559
Agoura Hills, CA 91301

(Case # 22-30059, Claim 5-1)

Class 3F shall receive a 100% dividend with interest payable per note as follows:

- 1) Contractual terms remain the same, except as otherwise modified herein.
- 2) Loan reinstated on Effective Date, in exchange for payment of \$419.76.
- 3) \$2,157.60 monthly payment.
- 4) Loan Maturity Date extended from December 1, 2022 to July 31, 2023.
- 5) Balloon payment via sale / refinance by or before May 1, 2023 to pay loan in full by January 1, 2025 loan maturity date.
- 6) Est. balance due by January 1, 2025 : \$288,000.00.

Class 3G – John Barden, Leslee Barden and Natalie Panos re: recorded deed of trust on real property Impaired Unimpaired
commonly known as 449 E. Market St., Daly City, CA 94014, A.P.N. 006-467-080

John Barden, Leslee Barden and
Natalie Panos
c/o JB Private Investments
311 South Ellsworth Ave.
San Mateo, CA 94401

(Case # 22-30059, Claim 9-1)

Class 3G shall receive a 100% dividend with interest payable per note as follows:

- 1) Contractual terms remain the same, except as otherwise modified herein.
- 2) Loan reinstated on Effective Date, in exchange for payment of \$6,075.00, inclusive of reasonable attorney's fees as of June 3, 2022, plus any post-petition accrued interest, late charges and attorney's fees, if applicable.
- 3) \$2,062.50 monthly
- 4) Balloon payment paid via cash, sale or refinance by or before March 31, 2023 loan maturity date. Final Balloon payment shall include all funds due at the maturity date including, principal, interest, advances, trustee's fees and attorney's fees, if applicable.
- 5) Est. balance due by March 31, 2023 : \$300,000.00.

Class 3H – Parker Kline Finance & Investment re: recorded deed of trust on real property commonly known as 909, 911, 915, 917 Hendley St., Santa Rosa, CA 95404, A.P.N. 009-316-023 Impaired Unimpaired

Class 3H shall receive a 100% dividend with interest payable per note as follows:

- 1) Contractual terms remain the same, except as otherwise modified herein.

Name

Parker Kline Finance & Investment
2777 Cleveland Ave., Suite 113
Santa Rosa, CA 95403

(Case # 22-30059, Claim 10-1)

- 2) Loan reinstated on Effective Date, in exchange for payment of \$0.00.
- 3) On Effective Date, Debtor also shall pay reasonable legal fee, estimated at ten-thousand dollars (\$10,000).
- 4) \$1,093.75 monthly payment.
- 5) Loan Maturity Date extended from September 1, 2022 to July 31, 2023.
- 6) Final payment paid via cash, sale or refinance by or before July 31, 2023 loan maturity date. Final Balloon payment shall include all funds due at the maturity date including, principal, interest, advances, trustee's fees and attorney's fees, if applicable.
- 7) Est. Balloon payment due by July 31, 2023 : \$150,000.00

Class 3I – Parker Kline Finance & Investment re: recorded deed of trust on real property commonly known as 2721, 2727 Victoria Dr., 95404, A.P.N. 043-084-006

- Impaired
 Unimpaired

Parker Kline Finance & Investment
2777 Cleveland Ave., Suite 113
Santa Rosa, CA 95403

(Case # 22-30059, Claim 11-1)

Class 3I shall receive a 100% dividend with interest payable per note as follows:

- 1) Contractual terms remain the same, except as otherwise modified herein.
- 2) Loan reinstated on Effective Date, in exchange for payment of \$2,479.15 (unless June 2022 payment is confirmed as received prior to confirmation hearing).
- 3) On Effective Date, Debtor also shall pay reasonable legal fee, estimated at ten-thousand dollars (\$10,000).
- 4) \$1,770.83 monthly payment.
- 5) Loan Maturity Date extended from September 1, 2022 to July 31, 2023.
- 6) Balloon payment paid via cash, sale or refinance by or before July 31, 2023 loan maturity date.
- 7) Est. balance due by July 31, 2023 : \$249,971.58

Class 3J – John Karl Richardson, Trustee of the Richardson Family 2012 Trust, dated June 1, 2012 and Barbara Smith. c/o Parker Kline Finance & Investment re: recorded deed of trust on real property commonly known as 3333 26th Street, San Francisco, CA 94110 A.P.N 6571-022

- Impaired
 Unimpaired

Parker Kline Finance & Investment
2777 Cleveland Ave., Suite 113
Santa Rosa, CA 95403

(Case # 22-30059, Claim 12-1)

Class 3J shall receive a 100% dividend with interest payable per note as follows:

- 1) Contractual terms remain the same, except as otherwise modified herein.
- 2) Loan reinstated on Effective Date, in exchange for payment of \$0.00
- 3) On Effective Date, Debtor also shall pay reasonable legal fee, estimated at ten-thousand dollars (\$10,000).
- 4) \$2,475.00 monthly payment.
- 5) Loan Maturity Date extended from September 1, 2022 to July 31, 2023.
- 6) Balloon payment paid via cash, sale or refinance by or before July 31, 2023 loan maturity date.
- 7) Est. balance due by July 31, 2023 : \$440,000.00

Class 3K – Thomas and Gloria Arnold Revocable Trust, dated May 19, 2005 and Karl Richardson, Trustee of the Richardson Family 2012 Trust, dated June 1, 2012, c/o Parker Kline Finance & Investment re: recorded deed of trust on real property commonly known as 3381A, 3382B, 3382C, 3384 22nd Street, SF, CA 94110, A.P.N. 3617-025

- Impaired
 Unimpaired

Parker Kline Finance & Investment

Class 3K shall receive a 100% dividend with interest payable per note as follows:

- 1) Contractual terms remain the same, except as otherwise modified herein.
- 2) Loan reinstated on Effective Date, in exchange for payment of \$150,000.00. Secured creditor shall apply said payment to: a) pre and post-petition arrearages through Effective Date (estimated at \$70,969.92); b) and the balance shall be applied towards principal reduction.
- 3) On Effective Date, Debtor shall pay reasonable legal fee, estimated at ten-thousand dollars (\$10,000).

Name

2777 Cleveland Ave., Suite 113
Santa Rosa, CA 95403

(Case # 22-30059, Claim 13-1)

- 4) \$2,475.00 monthly payment.
- 5) Loan Maturity Date extended from September 1, 2022 to July 31, 2023.
- 6) Balloon payment paid via cash, sale or refinance by or before July 31, 2023 loan maturity date.
- 7) Est. balance due by July 31, 2023 : \$439,242.66

Class 3L – Nick J. Corcoleotes and Michelle L. Corcoleotes, Trustees of the Nick and Michelle Corcoleotes 2001 Revocable Trust Dated March 19, 2001 re: recorded deed of trust on real property commonly known as 1010 Alabama St., San Francisco, CA 94110, A.P.N. 4148-003

- Impaired
 Unimpaired

ANC Properties, Inc.
1215 Woodside Road, Unit 20
Redwood City, CA 94061

(Case # 22-30059, Claim 14-1)

Class 3A shall receive a 100% dividend with interest payable per note as follows:

- 1) Contractual terms remain the same, except as otherwise modified herein.
- 2) Payments made on Effective Date \$41,278.55, inclusive of all reasonable attorney's fees as of June 3, 2022, plus any post-petition accrued interest, late charges, and attorney's fees, if applicable.
- 3) \$3,333.33 monthly payment.
- 4) Loan Maturity Date remains January 1, 2024
- 5) Balloon payment paid via cash, sale or refinance by or before January 1, 2024 loan maturity date.
- 6) Est. balance due by January 1, 2024: \$500,000.00. Final balloon payment shall include all funds due at the maturity date including, principal, interest, advances, trustee's fees and attorney's fees, if applicable.
- 7) By or before September 30, 2022, Debtor shall cure notices of violation issued by City and County of San Francisco Dept. of Building Inspection ("SF DBI") against collateral real property identified by Complaint Nos. 202183668, 202288984, & 202290664 (the "SFDBI Complaints". Debtor's counsel to continue to represent Debtor post-confirmation until SF DBI clears and releases the SF DBI Complaints.
- 8) Loan will not be deemed reinstated until SFDBI clears and releases the SF DBI Complaints.

Class 3M – Chantal J. Le Floch, Trustee of Chantal J. Le Floch Living Trust re: recorded deed of trust on real property commonly known as 971, 973, 975 Guerrero St., SF, CA 944110, San Francisco, CA 94110, A.P.N. 3617-030

- Impaired
 Unimpaired

Chantal J. Le Floch, Trustee
18393 Riverside Dr.
Sonoma, CA 95476

Class 3A shall receive a 100% dividend with interest payable per note as follows:

- 1) Contractual terms remain the same and are unmodified by the plan
- 2) \$3,500 monthly payment per note; note controls any payment changes.
- 3) Est. balance due by end of note term: \$400,000.00

Class 3N – Mary Ellen Kelly re Trustee re: recorded deed of trust on real property commonly known as 971, 973, 975 Guerrero St., SF, CA 944110, San Francisco, CA 94110, A.P.N. 3617-030

- Impaired
 Unimpaired

Mary Ellen Kelly
559 Maple Street
San Mateo, CA 94402

Class 3A shall receive a 100% dividend with interest payable per note as follows:

- 1) Contractual terms remain the same and are unmodified by the plan
- 2) \$500.00 monthly payment per note; note controls any payment changes.
- 3) Est. balance due by end of note term: \$100,000.00

Name

Class 30 – First Commerce LLC, Impaired
 servicing agent for lienholder re: Unimpaired
 recorded deed of trust on real property
 commonly known as 21 Lakewood
 Circle, San Mateo, CA 94402, A.P.N.
 041-641-030

First Commerce, LLC
 Attn: Carol Shelton, Reg Agent.
 520S. Hollydale Lane
 Anaheim, CA 92808

Class 3A shall receive a 100% dividend with interest payable per note as follows:
 1) Contractual terms remain the same
 2) Loan reinstated on Effective Date, in exchange for payment of \$0.00
 3) \$3,412.65 monthly payment, per note terms.

Class 4A – All non-priority, non-insider unsecured creditors Impaired
 Unimpaired

Class 4A claimants (excluding disputed claims with no proof of claim filed) shall receive a 100% dividend with interest payable at 2.02% (2022 federal post-judgment interest rate per 28 U.S.C. § 1961) calculated from the Effective Date. A detailed breakdown of each creditor within Class 4A and related payment schedule of 12 monthly payments is attached hereto as Exhibit **C**. Said claims are impaired due to the 12 month payment term. The start date for the 12 monthly payments shall be August 1, 2023.

Class 4B – Mary Lucero, Successor Co-Trustee (insider non-priority, unsecured claim) Impaired
 Unimpaired

Class 4B claimant Mary Lucero shall receive no payment until all allowed claim of all other creditor classes are first paid in full. After all other allowed claims in the Plan are paid in full, Mary Lucero shall receive shall receive \$37,000.00 in one lump sum payment a 100% dividend with interest payable at 2.02% (2022 federal post-judgment interest rate per 28 U.S.C. § 1961).calculated from the Effective Date.

Class 5 - Equity security holders of the Debtors Impaired
 Unimpaired

All pre-petition equity security holders (dkt. 27, p. 194) shall retain 100% of all equity security rights in the Debtor.

Article 5: Allowance and Disallowance of Claims

- 5.01 **Disputed Claim** *A disputed claim* is a claim that has not been allowed or disallowed [by a final non-appealable order], and as to which either:
 (i) a proof of claim has been filed or deemed filed, and the Debtors or another party in interest have filed an objection; or
 (ii) no proof of claim has been filed, and the Debtors have scheduled such claim as disputed, contingent, or unliquidated.

- 5.02 **Delay of distribution on a disputed claim** No distribution will be made on account of a disputed claim unless such claim is allowed by a final non-appealable order.

- 5.03 **Settlement of disputed claims** The Debtors will have the power and authority to settle and compromise a disputed claim with court approval and compliance with Rule 9019 of the Federal Rules of Bankruptcy Procedure.

Article 6: Provisions for Executory Contracts and Unexpired Leases

Name

6.01 Assumed executory contracts and unexpired leases

(a) The Debtors assume, and if applicable assign, the following executory contracts and unexpired leases as of the effective date:

1. Executory Contract

Debtors' executory contract Atlas Painting Company to complete interior painting project on real property commonly known as 3381A, 3382B, 3382C, 3384 22nd Street, SF, CA 94110, A.P.N. 3617-025. \$20,000 total contract. 30% (\$6,000.00) paid pre-petition in December 2021. 70% outstanding - \$14,000.00

Party to Contract: Atlas Painting Company, Attn: Keith Hawkins, 1797 Yosemite Ave., San Francisco, CA 94124

2. Unexpired Leases

The Debtors assume all prepetition rental agreements in Class 1A- Class 1N with the exception of Class 1E; the Class 1E lease is rejected. The Class 1E tenant Alen Martin abandoned lease post-petition without paying rent, resulting in forfeiture of the security deposit.

(b) Except for executory contracts and unexpired leases that have been assumed, and if applicable assigned, before the effective date or under section 6.01(a) of this Plan, or that are the subject of a pending motion to assume, and if applicable assign, the Debtors will be conclusively deemed to have rejected all executory contracts and unexpired leases as of the effective date.

A proof of a claim arising from the rejection of an executory contract or unexpired lease under this section must be filed no later than 15 days after the date of the order confirming this Plan.

Article 7: Means for Implementation of the Plan

The Debtors will retain possession of the property of the estate.

For Effective Date payments, at or prior to the confirmation hearing, the Debtors will confirm deposit into trust of \$365,000.00 necessary to make Effective Date payments.

First, the Debtors will pay all priority unsecured claims and administrative claims in full on the Effective Date. For administrative priority claims of the Subchapter V Trustees, Ms. Gina Klump and Christopher Hayes, and Debtors' counsel, Mr. Matthew D. Metzger, Belvedere Legal, PC, the Debtors shall pay said claims in full, on the Effective Date, or, if later, following Court approval, from resources set aside for Effective Date Payments. The amount paid shall not exceed the final amount approved the Court.

Second, for ongoing monthly payments on secured claim, the Debtor, as set forth above in paragraph, will continue to operate the residential real estate rental income business to generate rental income. The Debtors will pledge all disposable income generated from said rental income to for the duration of the 12 month commitment term of the instant "pot" plan, with payment amounts delineated as follows:

Third, for months 1-12, the Debtors will pay all, undisputed, allowed Class 4A claims at an estimated dividend of 100% with interest payable 2.02% (2022 federal post-judgment interest rate per 28 U.S.C. § 1961). The amount paid to Class 4A shall not exceed \$13,307.16.

Fourth, the Debtors also shall fund plan payments from the rental income reserve cash held in trust. The Debtors shall transfer said from the Debtors' IOLTA account to Debtor-in-Possession Account X6574 on the Plan Effective Date. The Debtors shall keep \$100,000 in reserve in a separate account or trust account to ensure all plan payments are made on time. Said account will be depleted as plan payments are made.

Fifth, the Debtors will engage professionals in accounting, tax, and trust law to wind down and file the final tax return for The Elba Lucero Family Trust dated December 12, 1986 and Amended and Restated August 10, 2005 and transfer all real property from the Business Trust to the LLC (or related LLCs).

Name

Sixth, the Debtors will complete construction and renovation of all remaining residential rental real property units to fill all remaining unit vacancies. From funds available on the effective date, the Debtors shall allocate \$111,000 towards the gross construction budget. The reasonably estimated cost of the gross construction budget is three-hundred thousand dollars (~~\$300,000.00~~). The Debtor shall pay for the additional shortfall of an estimated \$189,000 from additional rental income as units are rented and/or from additional refinancing post-confirmation. **Exhibit D** contains a true and correct copy of the estimated construction budget needed to complete remaining construction.

Seventh, the Debtors will employ a bookkeeper post-petition, J.E. Petersen, LLC, to track all monthly disbursements in the form of a monthly Profit & Loss statement available within 15 days after the close of the previous calendar month. Any party in interest may request to review a copy of any post-confirmation monthly report. Upon request, said report shall be published forthwith or, in any event, within 15 days after the close of the previous calendar month.

Eighth, regarding lawsuits, the Debtors reserve the right to prosecute a lawsuit for professional negligence / malpractice against Jason Wallace Estavillo, Cal State Bar No. 188093 and/or the Law Offices of Jason W. Estavillo, as listed on the Debtors' Schedule A/B.

Ninth, the Debtors remain current with all property taxes and all real properties shall remain insured.

Article 8: General Provision

8.01 Definitions and rules of construction	The definitions and rules of construction set forth in §§ 101 and 102 of the Code shall apply when terms defined or construed in the Code are used in this Plan, and they are supplemented by the following definitions:
8.02 Effective Date	The effective date of this Plan is the first business day following the date that is 14 days after the entry of the confirmation order. If, however, a stay of the confirmation order is in effect on that date, the effective date will be the first business day after the date on which the stay expires or is otherwise terminated.
8.03 Severability	If any provision in this Plan is determined to be unenforceable, the determination will in no way limit or affect the enforceability and operative effect of any other provision of this Plan.
8.04 Binding Effect:	The rights and obligations of any entity named or referred to in this Plan will be binding upon, and will inure to the benefit of the successors or assigns of such entity.
8.05 Captions	The headings contained in this Plan are for convenience of reference only and do not affect the meaning or interpretation of this Plan.
8.06 Controlling Effect	Unless a rule of law or procedure is supplied by federal law (including the Code or the Federal Rules of Bankruptcy Procedure), the laws of the State of <u>California</u> govern this Plan and any agreements, documents, and instruments executed in connection with this Plan, except as otherwise provided in this Plan.
8.07 Corporate Governance	For the duration of the 36 month commitment period, the Debtors shall not issue nonvoting equity securities. The Debtors have only one class of equity interests owned exclusively by Mr. Henry Richard Lucero and Mary Elba Lucero. Thus, the additional provisions of § 1123(a)(6) of the Code do not apply.
8.08 Retention of Jurisdiction	The bankruptcy court may exercise jurisdiction over proceedings concerning: (i) whether Debtors are in material default of any Plan obligation; (ii) whether the time for performing any Plan obligation should be extended; (iii) adversary proceedings and contested matters pending as of the effective date or specifically contemplated in this Plan to be filed in this court; (iv) whether the case should be dismissed or converted to one under Chapter 7, or whether Debtors should be removed for cause; (v) any objections to claims; (vi) compromises of controversies under Fed. R. Bankr. P. 9019; (vii) compensation of professionals; and (viii) other questions regarding the interpretation and enforcement of the Plan.

Name

Article 9: Discharge

If the Debtors' Plan is confirmed under § 1191(a), on the effective date of the Plan, the Debtors will be discharged from any debt that arose before confirmation of this Plan, to the extent specified in § 1141(d)(1)(A) of the Code, except that the Debtors will not be discharged of any debt:

- (i) imposed by this Plan; or
- (ii) to the extent provided in § 1141(d)(6).

If the Debtors' Plan is confirmed under § 1191(b), confirmation of this Plan does not discharge any debt provided for in this Plan until the court grants a discharge on completion of all payments due within the first 3 years of this Plan, or as otherwise provided in § 1192 of the Code. The Debtors will not be discharged from any debt:

- (i) on which the last payment is due after the first 3 years of the plan, or as otherwise provided in § 1192;
- or
- (ii) excepted from discharge under § 523(a) of the Code, except as provided in Rule 4007(c) of the Federal Rules of Bankruptcy Procedure.

Article 10: Other Provisions

10.01 Debtor's Stipulation with Parker Kline Finance & Investment. Exhibit F contains a true and correct copy of the Debtor's Stipulation for claim treatment with Parker Kline regarding secured claim Classes 3C, 3H, 3I, 3J, & 3K (the "Parker Kline Stipulation"). All terms of the Parker Kline Stipulation are incorporated into the Plan. In the event of a conflict between the Plan and the Parker Kline Stipulation, the terms of the Parker Kline Stipulation shall prevail. An order confirming the Plan shall constitute an order approving the Parker Kline Stipulation identified in Exhibit F.

10.02 Insider Compensation: The Debtors' principals shall receive monthly compensation or distributions of at least **\$4,000.00** but said monthly compensation figure shall not exceed the reasonable amount of **\$16,000.00** in total per month until such time as secured creditors in Classes 3C, 3H, 3I, 3J, & 3K are paid in full.

10.03 Tax Claims Filed Before Governmental Claims Bar Date: To the extent new governmental claim(s) is/are filed after the confirmation hearing but prior to or on the **April 9, 2022** governmental bar date, and unless said claims are successfully objected to within 60 days of their filing, said claims shall be paid in full. The timing of payment of said claims, and whether they bear interest, shall be controlled by the provisions of the Bankruptcy Code including 11 U.S.C. §1129(a)(9), and, at a minimum, shall be paid as follows: a) If they, or a portion thereof, constitute Class 3A general unsecured claims, such portion shall be paid by the Debtors as part of Class 3A and shall increase the distribution amounts set forth in paragraph 2.03 above; b) If they, or a portion thereof, are claims which would constitute Class 1 priority claims under the Plan, the Debtors must pay such portion of the claim(s) in full in cash without delay; and c) If they, or a portion thereof, are claims which would constitute allowed claims under 11 U.S.C. §507(a)(8), or, consistent with 1129(a)(9)(D), are secured tax claims which would otherwise meet the description of a priority tax claim under § 507(a)(8) of the Code, they must be paid in full as provided in 11 U.S.C. §1129(a)(9)(C), over a period of 1 year"

10.04 Distribution of Plan Payments: subject to approval of the bankruptcy court, in the event that the plan is confirmed under 11 U.S.C. §1191(b), the following shall occur: 1) a single Subchapter V Trustee shall continue to serve but shall not act as a disbursing agent; 2) the Debtors shall make distributions until Plan payments have been completed notwithstanding the requirements of 11 U.S.C. §§1191(b), §1194(a), and §1194(c); 3) the Debtors shall retain a bookkeeper to prepare monthly reports regarding: a) rental income received; b) debt-service, c) plan payments; d) disbursement of funds for Debtors' construction on real property of the estate. The Debtors shall produce any monthly report to any creditor or Subchapter V Trustee within seven (7) days of the request. The plan commitment term is estimated at 30-36 months and shall not exceed 36 months.

10.05 Disputed Claim Reserve: Debtors will create a reserve for disputed claim in the amount. Each time Debtors make a distribution to the holders of allowed claims, Debtors will place into a reserve the amount that would have been distributed to the holders of disputed claims if such claims had been allowed in the full amount claimed. If a disputed claim becomes an allowed claim, Debtors shall immediately distribute to the claimant from the reserve an amount equal to all distributions due to date under the plan calculated using the amount of the allowed claim. Any funds no longer needed in reserve shall be returned to Debtors.

10.06 Plan Commitment Term. The commitment term of the plan shall be no longer than 36 months.

Name

10.07 Plan Monthly Payment Date. The Debtors shall commence monthly payments on the first day of the first full calendar month following the Effective Date, with monthly payments continuing on or before the first day of each month thereafter until all monthly payments have been made

10.08 Obligations to Each Class Separate. Debtors' obligations under the Plan are separate with respect to each class of creditors and/or lenders.. Default in performance of an obligation due to members of one class shall not by itself constitute a default with respect to members of other classes. For the purposes of applying said default provisions, the holders of all administrative claims shall be considered to be a single class, the holders of all priority claims shall be considered to be a single class, and each non-debtor party to an assumed executory contract or lease shall be considered to be a separate class.

10.09 Material Default Defined. The following provisions apply globally, with one exception: for creditors that have executed a stipulation for claim treatment with conflicting provisions (attached to the plan), the default provisions contained in said stipulations shall control. Creditors and/or Lenders are used interchangeably throughout paragraph 10.09.

10.09.01: Failure to make payments: If Debtors fail to make the monthly payment due within the grace period set forth in the note, then the Lender may send written notice to Debtors and Debtors' attorney. If Debtors fail to cure the default within fifteen days of the date of the written notice, including the payment of any applicable late charge and any additional payment that may have become due, then Debtors are in Material Default under the Plan to all the members of the affected class. Upon Material Default, Lender shall have relief from stay without further order of the court and the Lender, their agents or representatives, and any successors in interest to Lender, shall no longer be restrained from exercising all of Lender's state law remedies to protect their security interest in the Property including, but not limited to initiating and/or completing a foreclosure sale of the Property in accordance with California Law. Upon foreclosure, Lender may proceed with their remedies under state law to obtain possession of the premises.

10.09.02: Failure to pay taxes and insurance: If Debtors fail to timely pay the real property taxes when due or fails to maintain adequate insurance on the real property, then the Lender may send written notice to Debtors and Debtors' attorney. If Debtors fails to cure the default within fifteen days of the date of the written notice, then Debtors are in Material Default under the Plan to all the members of the affected class. Upon Material Default, Lender shall have relief from stay without further order of the court and the Lender, their agents or representatives, and any successors in interest to Lender, shall no longer be restrained from exercising all of Lender's state law remedies to protect their security interest in the Property including, but not limited to initiating and/or completing a foreclosure sale of the Property in accordance with California Law. Upon foreclosure, Lender may proceed with their remedies under state law to obtain possession of the premises.

10.09.03: Failure to make balloon payment at maturity date: Debtors shall request a payoff demand from Lender prior to the maturity date of the loan. Said payoff demand shall include all funds due at the maturity date including, principal, interest, advances, trustee's fees and attorney's fees, if applicable. If Debtors fail to pay the full amount of the payoff demand by the maturity date, then Debtors are in Material Default under the Plan to all the members of the affected class. Upon Material Default, Lender shall have relief from stay without further order of the court and the Lender, their agents or representatives, and any successors in interest to Lender, shall no longer be restrained from exercising all of Lender's state law remedies to protect their security interest in the Property including, but not limited to initiating and/or completing a foreclosure sale of the Property in accordance with California Law. Upon foreclosure, Lender may proceed with their remedies under state law to obtain possession of the premises.

10.10 Remedies Upon Material Default. Upon Material Default, any member of a class affected by the default: (i) may file and serve a motion to dismiss the case or to convert the case to Chapter 7; (ii) file a motion to enforce the Plan, (iii) seek the Court's aid in furtherance of the Plan under Section 1142, or (iv) without further order of the court has relief from stay to the extent necessary, and may pursue its lawful remedies to enforce and collect Debtors' pre-confirmation obligations, including but not limited to the remedies identified in Paragraph 10.09.

Respectfully submitted,

X /s/ Henry Richard Lucero
[Signature of the Plan Proponent]

Henry Richard Lucero
[Printed name]

X /s/ Matthew D. Metzger
[Signature of the Attorney for the Plan Proponent]

Matthew D. Metzger 240437
[Printed name]

EXHIBIT A

Exhibit "A"
Liquidation Analysis

A. Tax Consequences of Two (2) Properties Foreclosed on December 14, 2021 (Pre-Petition):

Foreclosed Real Property #1: 3531-3533-3533 ½ Mission St., San Francisco, CA 94110 , A.P.N. 5712-043

Fair Market Value	Liens Paid + Costs Paid	Transfer Tax	Net Proceeds	Basis	Acc. Depreciation	Resulting Income Tax
\$603,000.00	\$299,397.97	\$4,100.40	\$299,501.63	\$525,000	\$133,085	\$0.00

Foreclosed Real Property #2: 1009-1011-1011A South Van Ness Ave., San Francisco, A.P.N. 3614-030

Fair Market Value	Liens Paid + Costs Paid	Transfer Tax	Net Proceeds	Basis	Acc. Depreciation	Resulting Income Tax
\$1,016,300.00	\$592,312.39	\$7,625.75	\$416,361.86	\$476,492	\$109,945	\$0.00

B. What Creditors Would Receive if the Case Were Converted to a Chapter 7

1. Case No. 22-30058 DM 11, *In re Lucero LLC* Real Properties:

Real Property #1: 1254 Shelter Creek Ln, San Bruno, CA, 94066, A.P.N. 101-700-500

Fair Market Value	Liens	Cost of Sale (7%)	Resulting Income Tax	Amt of Exemption	Net Proceeds
\$400,000	1 st \$125,000.00	\$28,000	Income Tax: \$114,484 Cost Basis: \$65,856 Acc. Depreciation \$59,270	N.A.	\$132,516

Real Property #2: 453 Grand Ave, South San Francisco, A.P.N. 012-305-0803

Fair Market Value	Liens	Cost of Sale (7%)	Resulting Income Tax	Amt of Exemption	Net Proceeds
\$1,563,300.00	1 st 443,873.74	\$109,431	Income Tax: \$424,765 Cost Basis: \$343,486 Acc. Depreciation \$245,376	N.A.	\$569,416.83
	2 nd \$15,813.43				

2. Case No. 22-30059 DM 11, *The Elba Lucero Family Trust dated December 12, 1986 and Amended and Restated August 10, 2005* Real Properties:

Real Property #1: Real Property #1: 585 Ellsworth, San Francisco CA 94110, A.P.N. 5725-016

Fair Market Value	Liens	Cost of Sale (7%)	Resulting Income Tax	Amt of Exemption	Net Proceeds
\$1,400,000	1 st \$300,000.00	\$98,000	Income Tax: \$359,658 Basis: \$280,000 Acc. Depreciation \$74,539		\$642,342

Real Property #2: Real Property #2: 1010, 1010 ½ Alabama St., SF, CA 94110, A.P.N. 4148-003

Fair Market Value	Liens	Cost of Sale (7%)	Resulting Income Tax	Amt of Exemption	Net Proceeds
\$1,100,000.00	1 st 15,813.43	\$77,000.	Income Tax: \$247,983 Basis: \$350,000 Acc. Depreciation \$83,060		\$259,203.57
	2 nd . \$500,000.00				

Real Property #3: 971, 973,975 Guerrero St., San Francisco, CA 94110, A.P.N. 3617-030

Fair Market Value	Liens	Cost of Sale (7%)	Resulting Income Tax	Amt of Exemption	Net Proceeds
\$2,000,000.00	1 st \$400,000.00	\$140,000	Income Tax: \$405,493 Basis: \$850,000 Acc. Depreciation \$226,282		\$954,507
	2 nd \$100,000.00				

Real Property #4: 3381A, 3382B, 3382C, 3384 22nd Street, San Francisco, CA 94110, A.P.N. 3617-025

Fair Market Value	Liens	Cost of Sale (7%)	Resulting Income Tax	Amt of Exemption	Net Proceeds
\$2,200,000.00	1 st 15,813.43	\$154,000	Income Tax: \$507,128 Basis: \$660,087 Acc. Depreciation \$160,239		\$1,083,815.91
	2 nd : \$439,242.66				

Real Property #5: 21 Lakewood Circle, San Mateo, CA 94402, A.P.N. 041-641-030

(Principal Residents where Debtor's Responsible Individual Lives)

Fair Market Value	Liens	Cost of Sale (7%)	Resulting Income Tax	Amt of Exemption	Net Proceeds
\$4,750,000.00	1 st \$569,200.00	\$332,500	Income Tax: \$1,008,193 Basis: \$1,700,000 Acc. Depreciation \$0.00	\$600,000.00	\$2,240,107.00

Real Property #6: 449 East Market Street, Daly City, CA 94014, A.P.N. 006-467-080

Fair Market Value	Liens	Cost of Sale (7%)	Resulting Income Tax	Amt of Exemption	Net Proceeds
\$966,200.00	1 st \$1,363.56	\$67,634	Income Tax: \$198,454 Basis: \$400,000 Acc. Depreciation \$106,489		\$396,685.94
	2 nd : \$302,062.50				

Real Property #7: 1676 Ontario Dr., Sunnyvale, CA 94087, A.P.N. 323-35-071

Fair Market Value	Liens	Cost of Sale (7%)	Resulting Income Tax	Amt of Exemption	Net Proceeds
\$2,300,000.00	1 st \$189,398.23	\$161,000	Income Tax: \$557,174 Basis: \$600,000 Acc. Depreciation \$159,733		\$1,392,427.77

Real Property #8 929 Hendley, Santa Rosa, CA 94404, A.P.N. 009-316-023

Fair Market Value	Liens	Cost of Sale (7%)	Resulting Income Tax	Amt of Exemption	Net Proceeds
\$489,500.00	1 st 15,813.43	\$34,265	Income Tax: \$105,860 Basis: \$146,232 Acc. Depreciation \$13,746		\$45,561.57
	2 nd . \$288,000.00				

Real Property #9: 909, 911, 915, 917 Hendley, Santa Rosa, CA 95404, A.P.N. 009-316-023

Fair Market Value	Liens	Cost of Sale (7%)	Resulting Income Tax	Amt of Exemption	Net Proceeds
\$800,000.00	1 st \$125,000	\$56,000	Income Tax: \$183,860 Basis: \$250,000 Acc. Depreciation \$66,558		\$433,096.13
	2 nd \$2,043.87				

Real Property #10: 2721, 2723, 2727, 2729 Victoria Drive, Santa Rosa, CA 95407 A.P.N. 043-084-006, 043-084-007

Fair Market Value	Liens	Cost of Sale (7%)	Resulting Income Tax	Amt of Exemption	Net Proceeds
\$650,000.00	1 st 10,280.95	\$45,500	Income Tax: \$116,441 Basis: \$340,000 Acc. Depreciation \$90,509		\$227,806.47
	2 nd . \$249,971.58				

Real Property #11: 3333 26th Street, San Francisco, CA 94110, A.P.N. 6571-022

Fair Market Value	Liens	Cost of Sale (7%)	Resulting Income Tax	Amt of Exemption	Net Proceeds
\$1,701,149.00	1 st 15,813.43	\$119,080	Income Tax: \$366,440 Basis: \$574,484 Acc. Depreciation \$109,633		\$799,815.57
	2 nd . \$400,000.00				

Total Real Property Net Proceeds: \$9,177,302.

Personal Property:

Description	Liquidation Value	Secured Claim	Amt of Exemption	Net Proceeds
Cash ¹	\$71,537.77		n.a.	\$51,652.37
Reserve Cash ²	\$664,959.16		n.a.	\$702,907.16
TOTAL				\$754,559.53

Net Proceeds of Real Property and Personal Property	\$9,931,861.53
Recovery from Preferences / Fraudulent Conveyances [ADD]	
Chapter 7 Administrative Claims [SUBTRACT]	\$10,000.00
Chapter 11 Administrative Claims [SUBTRACT]	\$180,000.00
Priority Claims [SUBTRACT]	\$1,699.36
Chapter 7 Trustee Fees [SUBTRACT]	\$508,547.08
Chapter 7 Trustee's Professionals [SUBTRACT]	\$150,000.00
NET FUNDS AVAILABLE FOR DISTRIBUTION TO UNSECURED CREDITORS	\$9,097,599.09

Estimated Amount of Unsecured Claims	\$203,912.57
Percent Distribution to Unsecured Creditors Under Proposed Plan	100%
Percent Distribution to Unsecured Creditors Under Liquidation Analysis	100%

¹ Cash balance in Debtor-in-Possession accounts as of June 9, 2022

² Reserve Cash balance in Debtor-in-Possession accounts as of June 9, 2022

EXHIBIT B

Exhibit B – Feasibility

Exhibit B1 – Effective Date Feasibility

Can the Debtors Make the Effective Day Payments?

	Amount	Amount
A. Projected Total Cash on Hand on Effective Date		\$750,000.00
Payments on Effective Date		
Secured Claims	\$412,438.15	
Administrative Expense Claims	\$120,000.00	
Priority Claims	\$1,699.36	
Small Claims (Class 2(a))		
U.S. Trustee Fees		
B. Total Payments on Effective Date		\$534,137.51
C. Net Cash on Effective Date (Line A - Line B) (Not feasible if less than zero)		\$215,862.49

Specific Breakdown of Effective Date Payments:

Class No.	Claim No.	Creditor	Amount
		Subchapter V Trustee Fees for Christopher Hayes, Subchapter V Trustee, after entry of order approving compensation.	15,000.00
		Subchapter V Trustee Fees for Gina Klump, Subchapter V Trustee, after entry of order approving compensation	15,000.00
		Matthew D. Metzger, Debtors' Counsel, after entry of order approving compensation	70,000.00
		Richard Pierotti, CPA, after entry of order	20,000.00

		approving compensation	
Class 1 (Priority Claims)	Claim 1-1 (22-30058)	Franchise Tax Board	1,699.36
Class 1B	Claim 7-1	Lovelund, Bilodeau	3,204.00
Class 2A	Claim 5-1	San Mateo Tax Collector	15,813.43
Class 2B	Claim 1-1	Sonoma Tax Collector	2,043.87
Class 2C	Claim 2-1	Santa Clara County Tax Collector	0.00
Class 2D	Claim 6-1	San Mateo County Tax	1,363.56
Class 2E	Claim 8-1	Sonoma County Tax	10,280.95
Class 2F	Claim 16-1	City and County of San Francisco Tax Collector	15,660.82
Class 3A	Claim 2-1	James Beach	53,984.56
Class 3B	Claim 3-1 (22-30058)	Select Portfolio Servicing, Inc.	0.00
Class 3C	Claim 4-1 (22-30058)	Pensco Trust Company, LLC	10,000.00
Class 3D	Claim 3-1	IRA Services Trust Company CFBO Michael R. Clark	9,080.50
Class 3E	Claim 4-1	IRA Services Trust Company CFBO Mark Scafine	50,754.00
Class 3F	Claim 5-1	LC Equity Group, Inc.	419.76
Class 3G	Claim 9-1	John Barden, Leslee Barden and Natalie Panos	6,075.00
Class 3H	Claim 10-1	Parker Kline Finance & Investment (re 909, 911, 915, 917 Hendley St., Santa Rosa, CA)	10,000.00
Class 3I	Claim 11-1	Parker Kline Finance & Investment (re 2721-2727 Victoria Dr., Santa Rosa, CA)	12,479.15
Class 3J	Claim 12-1	John Karl Richardson, Trustee of the Richardson Family 2012 Trust, dated June 1, 2012	10,000.00

Class 3K	Claim 13-1	Thomas and Gloria Arnold Revocable Trust, dated May 19, 2005 and Karl Richardson, Trustee of the Richardson Family 2012 Trust, dated June 1, 2012	160,000.00
Class 3L	Claim 14-1	Nick J. Corcoleotes and Michelle L. Corcoleotes, Trustees	41,278.55
Class 3M		Chantal J. Le Floch, Trustee	0.00
Class 3N		Mary Kelly	0.00
Class 3O		First Commerce, LLC	0.00
Class 4A			
		Total	\$534,137.51

Exhibit B2 – Commitment Term Feasibility

After effective date payment are made, the remaining pot of funds immediately available is reasonably estimated at \$215,000. From said \$215,000 pot, the construction plan shall pre-allocate a \$111,000 budget, leaving a remaining figure of approximately \$105,475. For the plan to fund, the Debtors will need to spent approximately \$12,500 on a monthly basis. The Debtors reasonably estimate to have a “burn rate” of 8 months at \$12,500 monthly, for a total amount of \$100,000, to fund plan payments, leaving the pot with an estimated \$4,000 remaining balance. After 6-12 months, the Debtors reasonably anticipate to have most if not all properties cash flow positive such that the monthly shortfall of (\$7,084.85) will gradually abate. After 12 months, many loans will be refinanced with anticipated lower monthly payments. Additionally, the payments to allowed general unsecured claims in Class 4C will occur in 12 monthly payments of \$1,052.35 which begin in month 13 (approximately August 2023), for a period of only 12 months. Thus, for all plan periods excepts months 13-24, the Debtors will have access to an additional \$1,052.35 of disposable income. Additionally, as construction is completed, the Debtors will source additional plan funding from refinancing available equity in the Debtors’ real properties.

Calculation of Projected Disposable Income (Monthly Basis)

Income	Amount
Total Available Remaining Pot After Effective Date Payments of Estimated \$210,000 Pro-Rated over 12 months	\$12,500.00
A. Total Net Monthly Income	\$12,500.00

Expenses	Amount
Includes Plan Payments on Secured Claims for Residence and Car	
Real Property Net Monthly Operating Loss (See Exhibit B3)	-\$7,084.85
Insider Compensation	-\$4,000.00
B. Total Monthly Expenses	-11,084.85

C. Disposable Income (Line A - Line B)	\$1,415.15
-----------------------------------------------	-------------------

Plan Payments	Amount
Plan Payments Not Included in Calculating Disposable Income	
Class 4C (beginning in August 2023)	\$1,052.35
D. Total Plan Payments	\$1,052.35
E. Plan Feasibility (Line C - Line D) (Not feasible if less than zero)	\$362.80

Exhibit B3 – Real Property Projected Monthly Profit & Loss as of Plan Effective Date

1. Case No. 22-30058 DM 11, *In re Lucero LLC* Real Properties:

Real Property #1: 1254 Shelter Creek Ln, San Bruno, CA, 94066, A.P.N. 101-700-500

Unit	Rent/Lease Collected	Vacancy Factor (10%)	Vacant (?)	Secured Debt (First)	Secured Debt (Second)	Taxes	Insurance	Net Proceeds
No. 1	1,700.00	170.00		859.33		106.28	21.42	\$542.97

Real Property #2: 453 Grand Ave, South San Francisco, A.P.N. 012-305-0803

Unit	Rent/Lease Collected	Vacancy Factor (10%)	Vacant (?)	Secured Debt (First)	Secured Debt (Second)	Taxes	Insurance	Net Proceeds
No. 1	2,500.00	250.00		1,700.00		797.53	83.33	-\$330.86
No. 2	0.00	0.00	Y					
No. 3	0.00	0.00	Y					

2. Case No. 22-30059 DM 11, *The Elba Lucero Family Trust dated December 12, 1986 and Amended and Restated August 10, 2005* Real Properties:

Real Property #1: 585 Ellsworth, San Francisco CA 94110, A.P.N. 5725-016

Unit	Rent/Lease Collected	Vacancy Factor (10%)	Vacant (?)	Secured Debt (First)	Secured Debt (Second)	Taxes	Insurance	Net Proceeds
No. 1	3,800.00	380.00		2,062.50		578.36	52.25	\$726.89

Real Property #2: 1010, 1010 ½ Alabama St., SF, CA 94110, A.P.N. 4148-003

Unit	Rent/Lease Collected	Vacancy Factor (10%)	Vacant (?)	Secured Debt (First)	Secured Debt (Second)	Taxes	Insurance	Net Proceeds
No. 1	0.00	0.00		3,333.33		896.16	120.83	-\$4,350.32
No. 2	0.00	0.00	Y					

Real Property #3: 971, 973,975 Guerrero St., San Francisco, CA 94110, A.P.N. 3617-030

Unit	Rent/Lease Collected	Vacancy Factor (10%)	Vacant (?)	Secured Debt (First)	Secured Debt (Second)	Taxes	Insurance	Net Proceeds
No. 1	1,300.00	130.00		3,500.00	500.00	1,118.64	202.67	\$1,338.70
No. 2	3,000.00	300.00						

No. 3	3,100.00	310.00						
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Real Property #4: 3381A, 3382B, 3382C, 3384 22nd Street, San Francisco, CA 94110, A.P.N. 3617-025

Unit	Rent/Lease Collected	Vacancy Factor (10%)	Vacant (?)	Secured Debt (First)	Secured Debt (Second)	Taxes	Insurance	Net Proceeds
No. 1	0.00	0.00	Y	2,475.00		1,183.02	222.33	-\$3,880.35
No. 2	0.00	0.00	Y					
No. 3	0.00	0.00	Y					
No. 4	0.00	0.00	Y					

Real Property #5: 21 Lakewood Circle, San Mateo, CA 94402, A.P.N. 041-641-030

(Principal Residents where Debtor's Responsible Individual Lives - No Rental Income)

Unit	Rent/Lease Collected	Vacancy Factor (10%)	Vacant (?)	Secured Debt (First)	Secured Debt (Second)	Taxes	Insurance	Net Proceeds
No. 1	0.00	N.A.	N.A.	3,412.65		106.28	52.25	-\$3,571.18

Real Property #6: 449 East Market Street, Daly City, CA 94014, A.P.N. 006-467-080

Unit	Rent/Lease Collected	Vacancy Factor (10%)	Vacant (?)	Secured Debt (First)	Secured Debt (Second)	Taxes	Insurance	Net Proceeds
No. 1	2,500.00	250.00		2,062.50		227.26	89.25	-\$129.01

Real Property #7: 1676 Ontario Dr., Sunnyvale, CA 94087, A.P.N. 323-35-071

Unit	Rent/Lease Collected	Vacancy Factor (10%)	Vacant (?)	Secured Debt (First)	Secured Debt (Second)	Taxes	Insurance	Net Proceeds
No. 1	1,700.00	170.00		2,183.08	2,000.00	957.51	167.00	-\$717.59
No. 2	1,700.00	170.00						
No. 3	1,700.00	170.00						
No. 4	0.00	0.00	Y					

Real Property #8 929 Hendley, Santa Rosa, CA 94404, A.P.N. 009-316-023

Unit	Rent/Lease Collected	Vacancy Factor (10%)	Vacant (?)	Secured Debt (First)	Secured Debt (Second)	Taxes	Insurance	Net Proceeds
No. 1	3,000.00	300.00		1,093.75		151.53	73.75	\$1,380.97

Real Property #9: 909, 911, 915, 917 Hendley, Santa Rosa, CA 95404, A.P.N. 009-316-023

Unit	Rent/Lease Collected	Vacancy Factor (10%)	Vacant (?)	Secured Debt (First)	Secured Debt (Second)	Taxes	Insurance	Net Proceeds
No. 1	900.00	90.00		see # 8 (same note)		275.14	145.83	\$2,144.03
No. 2	1,000.00	100.00						
No. 3	950.00	95.00						
No. 4	0.00	0.00	Y (#917)					

Real Property #10: 2721, 2723, 2727, 2729 Victoria Drive, Santa Rosa, CA 95407 A.P.N. 043-084-006, 043-084-007

Unit	Rent/Lease Collected	Vacancy Factor (10%)	Vacant (?)	Secured Debt (First)	Secured Debt (Second)	Taxes	Insurance	Net Proceeds
No. 1	925.00	92.50		1,770.83		784.21	68.58	\$548.87
No. 2	1,300.00	130.00						
No. 3	1,300.00	130.00						
No. 4	0.00	0.00	Y (#2729)					

Real Property #11: 3333 26th Street, San Francisco, CA 94110, A.P.N. 6571-022

Unit	Rent/Lease Collected	Vacancy Factor (10%)	Vacant (?)	Secured Debt (First)	Secured Debt (Second)	Taxes	Insurance	Net Proceeds
No. 1	0.00	0.00	Y	2,475.00		888.71	214.25	-\$787.96
No. 2	3,100.00	310.00						
No. 3	0.00	0.00	Y				Net Proceeds/Loss	-\$7,084.85

EXHIBIT C

Exhibit "C"

Class 3A - All Other Non-Priority, Non-Insider Unsecured Creditors

(Monthly Payments)

Claim No (If Applicable)	Name of Creditor	Amount of Claim	Disputed Y/N	Impairment	Allowed Amount	Dividend	Total Amount Paid	Monthly Payment
	Jason W. Estavillo, Esq. Law Offices of Jason W. Estavillo, P.C. 1330 Broadway, Suite 436 Oakland, CA 94612	\$34,421.49	Y	<input checked="" type="checkbox"/> Impaired <input type="checkbox"/> Unimpaired	\$0.00	\$0.00	\$0.00	\$0.00
	Power Electric 770 18th Ave. San Francisco, CA 94121	\$2,000.00	N	<input checked="" type="checkbox"/> Impaired <input type="checkbox"/> Unimpaired	\$2,000.00	\$100%	\$2,022.00	\$168.50
	Santa Rosa Plumbing Box 867 Cotati, CA 94931	\$2,130.00	N	<input checked="" type="checkbox"/> Impaired <input type="checkbox"/> Unimpaired	\$2,130.00	\$100%	\$2,153.40	\$179.45
	Sideman & Bancroft LLP One Embarcadero Center, Twenty-Second Floor San Francisco, CA 94111- 3711	\$6,336.08	N	<input checked="" type="checkbox"/> Impaired <input type="checkbox"/> Unimpaired	\$6,336.08	\$100%	\$6,405.60	\$533.80
	WMB2, LLP Attn: Jennifer Tyrell Smith, CPA & Partner 101 Larkspur Landing Circle, Ste. 200 Larkspur, CA 94939	\$2,025.00	N	<input checked="" type="checkbox"/> Impaired <input type="checkbox"/> Unimpaired	\$2,025.00	\$100%	\$2,047.23	\$170.60
	Total	\$46,912.57			\$12,491.08		\$12,628.23	\$1,052.35

EXHIBIT D

Exhibit "D"
Construction Budget

To assist with the Debtors' plan to refinance the real properties of the estate, the Debtors will complete deferred maintenance construction and rent vacant units. The Debtor will fund said construction from three (3) sources: 1) funds available after payments due on the Effective Date; 2) additional rental income as units become rented; and 3) only if necessary, from a contribution of liquidated equity from an additional real property owned by the Debtor's insiders as joint tenants – the real property commonly known as 3535 Mission Street, San Francisco, CA, 94110, APN 5712-042.

Construction Budget Summary

Real Property	Budget
453 Grand Ave, South San Francisco, A.P.N. 012-305-0803	\$39,500.00
585 Ellsworth, San Francisco CA 94110, A.P.N. 5725-016	\$70,000.00
1010, 1010 ½ Alabama St., SF, CA 94110, A.P.N. 4148-003	\$46,000.00
3381A, 3382B, 3382C, 3384 22nd Street, San Francisco, CA 94110, A.P.N. 3617-025	\$110,601.90
909, 911, 915, 917 Hendley, Santa Rosa, CA 95404, A.P.N. 009-316-023	\$6,300.00
2721, 2723, 2727, 2729 Victoria Drive, Santa Rosa, CA 95407 A.P.N. 043-084-006, 043-084-007	\$26,600.00
Total	\$299,001.90

Construction Budget - Itemized by Subject Properties

1. Case No. 22-30058 DM 11, *In re Lucero LLC* Real Properties:

Real Property #1: 1254 Shelter Creek Ln, San Bruno, CA, 94066, A.P.N. 101-700-500

Item	Amount
No construction needed	\$0.00

Real Property #2: 453 Grand Ave, South San Francisco, A.P.N. 012-305-0803

Item	Amount
unit 450: (linoleum & carpet: \$7,000; stair: \$9,000)	16,000.00
unit 452: (linoleum & carpet: \$10,000; stair: \$9,000)	19,000.00
unit 452: (heating)	4,500.00
Total	\$39,500.00

2. Case No. 22-30059 DM 11, *The Elba Lucero Family Trust dated December 12, 1986 and Amended and Restated August 10, 2005* Real Properties:

Real Property #1: 585 Ellsworth, San Francisco CA 94110, A.P.N. 5725-016

Item	Amount
Retaining Wall	70,000.00
Total	\$70,000.00

Real Property #2: 1010, 1010 ½ Alabama St., SF, CA 94110, A.P.N. 4148-003

Item	Amount
Carpentry	46,000.00
Total	\$46,000.00

Real Property #3: 971, 973,975 Guerrero St., San Francisco, CA 94110, A.P.N. 3617-030

Item	Amount
No construction needed	\$0.00

Real Property #4: 3381A, 3382B, 3382C, 3384 22nd Street, San Francisco, CA 94110, A.P.N. 3617-025

Item	Amount
Unit 3382 (store): ceiling (\$5,400); carpentry (\$2,000)	7,400.00
Unit 382A (rear house): floor (\$1,000); paint (\$3,660); carpentry (\$3,660); bathroom (\$2,000)	10,320.00
Unit 3382 B (middle unit): heat (\$13,650); paint (\$7,000); floor (\$7,352.50); bathroom (\$7,200); electrical (\$1,000); wash/dry (\$9,000)	45,202.50
Unit 3384 (top unit): paint (\$7,750; floor (\$11,979.40); bathroom (\$17,200); electrical (\$1,000); wash/dry hook (\$9,000), window (\$750)	47,679.40
Total	\$110,601.90

Real Property #5: 21 Lakewood Circle, San Mateo, CA 94402, A.P.N. 041-641-030

(Principal Residents where Debtor's Responsible Individual Lives - No Rental Income)

Item	Amount
No construction needed	\$0.00

Real Property #6: 449 East Market Street, Daly City, CA 94014, A.P.N. 006-467-080

Item	Amount
No construction needed	\$0.00

Real Property #7: 1676 Ontario Dr., Sunnyvale, CA 94087, A.P.N. 323-35-071

Item	Amount
No construction needed	\$0.00

Real Property #8 929 Hendley, Santa Rosa, CA 94404, A.P.N. 009-316-023

Item	Amount
No construction needed	\$0.00

Real Property #9: 909, 911, 915, 917 Hendley, Santa Rosa, CA 95404, A.P.N. 009-316-023

Item	Amount
Unit 917 (vacant): paint (\$1,500); carpet (\$1,200); carpentry (\$3,600)	6,300.00
Total	\$6,300.00

Real Property #10: 2721, 2723, 2727, 2729 Victoria Drive, Santa Rosa, CA 95407 A.P.N. 043-084-006, 043-084-007

Item	Amount
Unit 2729 (vacant): carpet (\$2,000); stucco (\$10,000); bathroom (\$10,000); paving (\$2,000)	24,000.00
No. 2	1,300.00
No. 3	1,300.00
No. 4	0.00
Total	\$26,600.00

Real Property #11: 3333 26th Street, San Francisco, CA 94110, A.P.N. 6571-022

Item	Amount
No construction needed	\$0.00

EXHIBIT E

1 JaVonne M. Phillips, Esq. SBN 187474
2 Jennifer C. Wong, Esq. SBN 246725
3 **McCarthy & Holthus, LLP**
4 2763 Camino Del Rio South, Suite 100
5 San Diego, CA 92108
6 Phone (877) 369-6122
7 Fax (619) 685-4811

8 Attorneys for
9 Towd Point Mortgage Trust 2019-HY1, U.S. Bank National Association, as Indenture Trustee,
10 its assignees and/or successors, by and through its servicing agent Select Portfolio Servicing, Inc.
11

12 UNITED STATES BANKRUPTCY COURT
13 NORTHERN DISTRICT OF CALIFORNIA
14 SAN FRANCISCO DIVISION

15 In re:) Case No. 22-30058 DM 11
16 Lucero LLC et al.,) Case No. 22-30059 DM 11
17 Debtors.)
18) Chapter 11
19)
20) (Jointly Administered)
21)
22)
23)
24)
25) **STIPULATION FOR PLAN TREATMENT**
26) **ON FIRST LIEN SECURED BY REAL**
27) **PROPERTY AT 1676 ONTARIO DRIVE,**
28) **SUNNYVALE, CA 94087**
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1 Towd Point Mortgage Trust 2019-HY1, U.S. Bank National Association, as Indenture
2 Trustee, its assignees and/or successors, by and through its servicing agent Select Portfolio
3 Servicing, Inc. (“Secured Creditor” herein) and Lucero LLC (“Debtor” herein), by and through
4 their attorneys of record now enter into the below Stipulation to agree to plan treatment for the
5 real property commonly known as 1676 Ontario Drive, Sunnyvale, CA 94087.

6
7 **RECITALS**

- 8 A. On 9/27/1999, Elba Lucero, for valuable consideration made, executed and delivered a
9 Note secured by a First Deed of Trust both in the original amount of \$412,500.00 on the
10 property commonly known as 1676 Ontario Drive, Sunnyvale, CA 94087 (“Property”).
11 B. On or about 1/31/2022, Debtor filed a voluntary petition under Chapter 11 of the
12 Bankruptcy Code in the United States Bankruptcy Court, Northern District of California.
13 C. As of 01/31/2022, the total amount of Secured Creditor’s claim with regard to the
14 Property was approximately \$189,398.23 with \$14,031.74 in arrears [Claim #3-1].
15 D. The parties have conferred and agreed upon the treatment of Secured Creditor’s first lien
16 secured by the Property for purposes of Debtor’s Chapter 11 Plan and those terms are
17 reflected below.

18
19 **THE PARTIES HERETO STIPULATE AND AGREE AS FOLLOWS:**

- 20 1. The lien on the Property is full secured for the purposes of this instant Chapter 11 case.
21 2. Beginning 5/1/2022, Debtor agrees to make contractual payments to Secured Creditor,
22 currently in the amount of \$2,183.08. These payments will be applied contractually to
23 the loan as they are received. Debtor is aware this payment may fluctuate and is
24 responsible for confirming that payment with Secured Creditor as needed.
25 3. The approximate contractual loan arrears as of 5/03/2022 totaling \$18,058.38 (consisting
26 of monthly payments from 9/01/2021 through 5/31/2022) will be deferred as a non-
27 interest-bearing principal due as a balloon payment on the maturity date 11/1/2029.
28 4. All amounts still outstanding upon the maturity date under this agreement including any
29 deferred non-interest bearing amount escrow shortage or any fees, will be due and owing

1 in full on the maturity date 11/1/2029. Escrow advances not recovered in delinquent
2 payments will not be deferred and will remain on the account to be paid in the ordinary
3 course of business. There is currently escrow due in the amount of \$19,970.50. In
4 addition, there are currently loan level advances of \$149.00 and late charges of \$721.34
5 that will not be deferred and will show on the monthly statement as due and owing. These
6 will be paid in accordance with the note and mortgage and remain recoverable on the
7 loan.

- 8 5. The loan is not impounded for taxes or insurance on the Property. However there are
9 advances on the loan in the amount of \$19,970.50 which will be repaid through a
10 mortgage payment change that will take care of these advances. The estimated amount
11 per month to recover these advances when the payment change is issued is \$416.05.
12 Debtor is aware this amount may fluctuate. Debtor will adjust payments due in
13 accordance with the latest escrow analysis and payment change letters received. In
14 addition this is an ARM loan and Debtor understands that the interest rate fluctuates and
15 the principal and interest (“P&I”) payments may periodically change.
- 16 6. The first payment under this agreement is due 5/1/2022 in the amount of \$2,183.08 per
17 month. This is P & I only.
- 18 7. Payments shall be made directly to Secured Creditor at: Select Portfolio Servicing, Inc.,
19 Attn: Remittance Processing, P.O. Box 65450, Salt Lake City, UT 84165-0450, with
20 reference to the last four digits of the Loan Number 9079, or as otherwise directed.
- 21 8. All other terms of the Deed of Trust and Note not directly altered by this agreement will
22 remain in full force and effect.
- 23 9. Secured Creditor has relief from the automatic stay as to the Property upon confirmation
24 of Debtor's Chapter 11 Plan.
- 25 10. In the event of a default on payments to Secured Creditor under the terms of this
26 Stipulation *prior to the entry of the confirmation order*, Secured Creditor shall notify
27 Debtor and Debtor's counsel of the default in writing. Debtor shall have ten (10) calendar
28 days from the date of the written notification to cure the default. If Debtor fails to cure
29 the default, Secured Creditor may lodge a declaration of default and order terminating the

1 automatic stay and include that the 14-day stay as provided in FRBP 4001(a)(3) is
2 waived. Upon entry of the order the automatic stay shall be terminated and extinguished
3 for purposes of allowing Secured Creditor to notice, proceed with, and hold a trustee's
4 sale of the Property, pursuant to applicable state law and without further Court Order or
5 proceeding being necessary, including any action necessary to obtain complete
6 possession of the Property, including unlawful detainer. If Secured Creditor takes relief
7 upon the above default provisions pre-confirmation, the plan terms and this Stipulation
8 are terminated, relief is granted and Secured Creditor may enforce its state court remedies
9 in accordance with the note and mortgage.

10 11. In the event of a default on payments to Secured Creditor under the terms of this
11 stipulation *after the entry of the confirmation order*, Secured Creditor may proceed
12 pursuant to the terms of the underlying deed of trust and note, and state and federal law,
13 to obtain complete possession of the Property, including unlawful detainer, without
14 further court order or proceeding being necessary. Any and all default provisions
15 included in Debtor's Chapter 11 plan are not applicable to Secured Creditor with regard
16 to the Property, and Secured Creditor is only bound by the terms included in this
17 Stipulation.

18 12. Debtor agrees to incorporate the above agreed terms of lien treatment into any and all
19 existing and future proposed Chapter 11 Plans through either exact language or by
20 attaching this stipulation as an exhibit to the plan, and if any terms in Debtor's Chapter
21 11 Plan conflict with the terms of this stipulation the terms of this stipulation will control.
22 In the event that Debtor's Chapter 11 Plan does not reflect the language of this
23 stipulation, Debtor agrees that the stipulation terms will be incorporated into the
24 confirmation order through exact language, attachment of the stipulation as an exhibit to
25 the confirmation order, or by reference in the confirmation order of the stipulation by
26 document number.

27 13. Secured Creditor agrees to vote for Debtor's Chapter 11 Plan provided it Debtor has
28 complied with all provisions of this stipulation.

29 ///

1 14. If this instant Chapter 11 bankruptcy petition is dismissed and/or converted to another
2 chapter under title 11, Secured Creditor's lien shall remain a valid secured lien for the full
3 amount due under the original Promissory Note and all payments received under this
4 agreement will be applied contractually under the original terms of the Deed of Trust and
5 original Promissory Note. This Agreement is null and void upon dismissal, conversion to
6 any other chapter, the plan is not confirmed or if Secured Creditor takes default pre-
7 confirmation and is granted relief.
8

9 IT IS SO STIPULATED:

BELVEDERE LEGAL, PC

10
11 Dated: 05/17/2022

/s/ Matthew D. Metzger
Matthew D. Metzger, Esq.
Attorney for Debtor

12
13
14
15 Dated: 05/05/2022

/s/ Jennifer C. Wong
Jennifer C. Wong, Esq.
Attorney for Towd Point Mortgage Trust
2019-HY1, U.S. Bank National Association,
as Indenture Trustee, its assignees and/or
16 successors, by and through its servicing
17 agent Select Portfolio Servicing, Inc.
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EXHIBIT F

1 Tracy Green (Bar No. 114876)
2 **WENDEL ROSEN LLP**
3 1111 Broadway, 24th Floor
4 Oakland, California 94607-4036
5 Telephone: (510) 834-6600
6 Fax: (510) 834-1928
7 Email: tgreen@wendel.com
8
9 Attorneys for Creditor
10 Parker Kline Finance & Investment
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UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

13 In re
14 LUCERO LLC, et al.,
15 Debtors.

Case No. 22-30058 (DM)
Case No. 22-30059 (DM)
Chapter 11
(Jointly Administered)

DEBTORS' STIPULATION RE TERMS

19
20 This Stipulation is between Lucero LLC and the Elba Lucero Family Trust dated
21 December 12, 1986 and Amended and Restated August 10, 2005 ("Debtors") and Parker Kline
22 Finance & Investment ("Creditor") as lender or servicer for the loans set forth below. The parties
23 agree that the terms set forth herein shall be incorporated into a Chapter 11 Plan of
24 Reorganization.

25 Whereas, Creditor services the following loans which are secured by the real properties
26 ("Subject Properties") set forth below ("Subject Loans");

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Loan Number	Lender	Property Address
8-117-60 Debtor: Lucero Family Trust	John Karl Richardson, Trustee of the Richardson Family 2012 Trust dated June 1, 2012 (72%), Barbara S. Smith (28%), as tenants in common	3333 26 th St, San Francisco 94110
6-117-60 Debtor: Lucero Family Trust	Parker Kline Finance & Investment, Assignee	3382 22 nd St, San Francisco CA 94110
6-119-36 Debtor: Elba Lucero Family Trust	Anthony J. Sorace, Trustee and Melodie Lee Sorace, Trustee of the Sorace Trust dated July 13, 1990 (50%), and Pensco Trust Company LLC Custodian f/b/o Anthony Petruzzella IRA (50%)	2721 Victoria Drive Santa Rosa, CA 95407
4-518-60 Debtor: Elba Lucero Family Trust	IRA Services Trust Company Custodian f/b/o Joseph Cammarata IRA #733386 (50%), Pensco Trust Company LLC Custodian f/b/o Anthony Petruzzella IRA (50%)	909, 911, 915, 917 Hendley St, Santa Rosa, CA 95404
8-717-60 Debtor: Lucero LLC	Pensco Trust Company LLC Custodian f/b/o Anthony Petruzzella IRA	1254 Shelter Creek Ln San Bruno, CA 94066

Whereas, Creditor and Debtors have agreed to the terms set forth herein to avoid litigating certain disputes, including but not limited to eligibility and plan feasibility.

STIPULATION

Now therefore, Debtors and Creditor stipulate that Debtors' Plan of Reorganization shall provide as follows:

1. Upon the Effective date of the Plan which shall be 14 days after the Court order approving the Plan, all defaults shall be cured, including payment of real property taxes and property insurance, if in default. Debtors shall pay the sum of \$150,000 that Creditor shall apply to cure the monthly the default on the 3382 22nd Street property, and any excess shall be applied to the principal.
2. Debtors to pay all reasonable legal fees and trustee fees incurred by Creditor on the Effective Date, subject to review by Debtors. The Court shall retain jurisdiction to hear any objection by Debtors to Creditor's asserted legal fees and trustee fees. To the extent appropriate,

1 legal fees incurred that relate to all of the Subject Properties, shall be prorated. To the extent some
2 fees relate solely to one property, those expenses will be tied to that property (the “Creditor Legal
3 Fees”).

4 3. All of the Subject Loans shall be paid off within 1 year from the Plan’s Effective
5 Date. The source of payment shall be the sale of the properties or the refinancing of the
6 properties, or from other cash sources, if available. Debtors have discussed this term and
7 understand the risks that they are taking.

8 4. Debtors to be current on all post-petition monthly debt service at time of plan
9 confirmation hearing, and to commence making full monthly debt service payments upon
10 confirmation according to the terms of each loan, including for those properties that do not
11 generate sufficient rent to pay the debt service.

12 5. Debtors to retain a property management company as of the Effective Date of the
13 Plan or alternatively a trustee. In lieu of a property management company, debtor may retain a
14 broker to assist the Debtors in leasing the vacant properties, a reliable bookkeeper who shall
15 prepare monthly reports with information including all expenditures, disbursements, rent
16 collections, by overall company, and by property, which report shall be provided to creditors
17 which so request it. In addition, Debtors’ counsel to act as a disbursing agent for construction
18 budget (“the Lucero Fiduciary Professionals”). Debtors shall provide budget to Creditor within 7
19 days of execution of this Stipulation. Said budget shall be subject to a 15% deviation. Creditor can
20 monitor the status of the construction to maintain and improve the real properties such that they
21 can be leased. Debtors to provide a construction budget and timeline, which shall be updated
22 monthly until such time as Creditor’s Subject Properties are fully leased.

23 6. Creditor may request a review of monthly reporting, on a monthly basis. If
24 requested, Property management company or Trustee or the Lucero Fiduciary Professionals shall
25 provide monthly reports to Creditor not later than the 15th day the month following the month of
26 the report which shall show the amount of the rent collected at each property, payment of all
27 expenses, including property taxes and insurance for each of the Subject Properties. .

28 7. Debtors to provide copies of filed tax returns for the tax years 2018, 2019, and

1 2020, as required by the loan documents, and shall provide those within 5 days of execution of this
2 stipulation, and shall provide a copy of the 2021 when it is filed with the taxing authorities.

3 8. Plan of Reorganization to be confirmed no later than 90 days from the execution of
4 this Stipulation.

5 9. The Debtors' principals shall receive total compensation or distributions not to
6 exceed the amount of \$16,000.00 *in total* per month until such time as Creditor's loans are paid off
7 in full and said amount will be reasonable and specified in the Plan of Reorganization.

8 10. To the extent building permits are required for projects at any of the Subject
9 Properties, Debtors shall obtain valid permits for such work, and shall only use licensed
10 contractors for such work.

11 11. All outstanding real property taxes to be brought current on the Effective Date of
12 the Plan.

13 12. Debtors to pay all property insurance through the end of the current policy period,
14 and Creditors shall be named as additional loss payees on all policies.

15 13. **Default: Failure to make payments:** If either Debtor fails to make the monthly
16 payment due within the grace period set forth in the note, then the Creditor may send written
17 notice to Debtor and Debtor's attorney. If Debtor fails to cure the default within seven (7) days of
18 the date of the written notice, including the payment of any applicable late charge and any
19 additional payment that may have become due, then Creditor shall have relief from stay without
20 further order of the court and the Creditor, their agents or representatives, and any successors in
21 interest to Creditor, shall no longer be restrained from exercising all of Creditor's state law
22 remedies to protect their security interest in the Property including, but not limited to initiating
23 and/or completing a foreclosure sale of the Property in accordance with California Law. Upon
24 foreclosure, Creditor may proceed with its remedies under state law to obtain possession of the
25 premises. **Failure to pay taxes and insurance:** If Debtors fail to timely pay the real property
26 taxes when due or fail to maintain adequate insurance on the real property, then the Creditor may
27 send written notice to Debtor and Debtor's attorney. If Debtor fails to cure the default within
28 seven (7) days of the date of the written notice, then Creditor shall have relief from stay without

1 further order of the court and the Creditor, their agents or representatives, and any successors in
2 interest to Creditor, shall no longer be restrained from exercising all of Creditor's state law
3 remedies to protect their security interest in the Property including, but not limited to initiating
4 and/or completing a foreclosure sale of the Property in accordance with California Law. Upon
5 foreclosure, Creditor may proceed with its remedies under state law to obtain possession of the
6 premises. **Failure to make balloon payment at maturity date:** Debtor shall request a payoff
7 demand from Creditor prior to the maturity date of the loan. Said payoff demand shall include all
8 funds due at the maturity date including, principal, interest, advances, trustee's fees and attorney's
9 fees, if applicable. If Debtor fails to pay the full amount of the payoff demand by the maturity
10 date, then Creditor shall have relief from stay without further order of the court and the Creditor,
11 their agents or representatives, and any successors in interest to Creditor, shall no longer be
12 restrained from exercising all of Creditor's state law remedies to protect their security interest in
13 the Property including, but not limited to initiating and/or completing a foreclosure sale of the
14 Property in accordance with California Law. Upon foreclosure, Creditor may proceed with its
15 remedies under state law to obtain possession of the premises. Creditor and Debtors have both
16 reviewed this Stipulation, and are both represented by legal counsel, who has advised them of the
17 meaning and impact of signing this Stipulation. Therefore, the parties agree that any rule of
18 construction to the effect that ambiguities in the interpretation of this agreement are to be resolved
19 against the drafting party, is not relevant and will not apply.

20 14. In any action or proceeding to enforce this Stipulation, the prevailing party shall be
21 entitled to reasonable attorney's fees and costs, in addition to any other relief that prevailing party
22 may be entitled to.

23 15. The U.S. Bankruptcy Court will retain jurisdiction to enforce the terms of this
24 Stipulation.

25 16. This Stipulation shall inure to the benefit of the successors and assigns of the
26 parties.

27 17. Creditor and Debtors agree to timely execute any and all documents that are
28 necessary to effectuate the terms of this Stipulation.

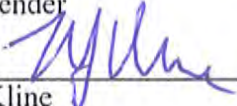
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18. Debtors agree to incorporate the terms of the Stipulation into their Chapter 11 Plan of Reorganization, and if these terms are not incorporated into the Plan, or if the terms are not approved in the Plan, Creditor, at its option will consider this Stipulation Null and Void.

19. The instant Stipulation shall become effective on the Effective Date of the Debtor's Plan, defined as "... on the first business day following the date that is 14 days after the entry of the confirmation order."

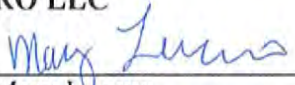
PARKER KLINE FINANCE &
INVESTMENT
Servicer and Lender

DATED: 5/17/22

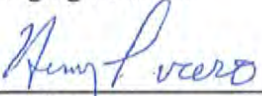
By: 
Kevin Kline
President

LUCERO LLC

DATED: 5/17/22

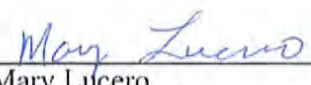
By: 
Mary Lucero
Managing Member

DATED: 5/17/22

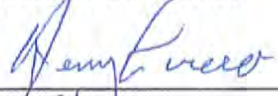
By: 
Henry Lucero
Managing Member

THE ELBA LUCERO FAMILY TRUST
DATED DECEMBER 12, 1986 AND
AMENDED AND RESTATED AUGUST
10, 2005

DATED: 5/17/22

By: 
Mary Lucero
Successor Co-Trustee

DATED: 5/17/22

By: 
Henry Lucero
Successor Co-Trustee