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In re:

Case #05-34279-cec

ANDREW L. SCHWAB,

Chapter 7

Debtor.

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NOTICE OF MOTION SEEKING COURT APPROVAL OF SALE OF TRUSTEE'S RIGHT, TITLE AND INTEREST, ALONG WITH THAT OF THE NON-DEBTOR CO-OWNER, IN CERTAIN REAL PROPERTY AND IMPROVEMENTS LOCATED AT 432 BEACH 132ND STREET, BELLE HARBOR, NEW YORK, FREE AND CLEAR OF LIENS, CLAIMS, INTERESTS AND ENCUMBRANCES, PURSUANT TO SECTIONS 363 AND 506 OF THE BANKRUPTCY CODE

TO ALL CREDITORS AND OTHER INTERESTED PARTIES:

NOTICE IS HEREBY GIVEN, that John S. Pereira, as Chapter 7 Trustee (the "Trustee") of the above-captioned Debtor (the "Debtor"), by and through his Counsel, Law Offices of John S. Pereira ("Counsel"), will move before the Honorable Carla E. Craig, United States Bankruptcy Judge, on the 19th day of September, 2006, at 10:00 a.m. (the "Hearing Date"), in Courtroom #3529 of the United States Bankruptcy Court for the Eastern District of New York, 271 Cadman Plaza East, Brooklyn, New York 11201, pursuant to 11 U.S.C. §§363(b), (f) and 506(c), Bankruptcy Rule 6004 and the Rules of this Court, for an order (a) allowing the Trustee of the Estate of the Debtor, to sell certain real property and improvements located at 432 Beach 132nd Street, Belle Harbor, New York (the "Property"), with Andrea R. Schwab, non-Debtor, Co-Owner, together (the "Sellers"), pursuant to a Contract of Sale (the "Contract") with Damien George and Elizabeth George, his Wife, (the "Purchasers"), for the sum of \$820,000.00, subject to any higher or better offers as may be made at the hearing to consider the same; (b) authorizing the sale of the Property, free and clear of all liens, claims and encumbrances, except the Permitted Encumbrances (as defined in the Contract), with all such liens, claims, interests and encumbrances attaching to the net proceeds of sale, in their order of priority and to the extent of their validity, after deduction of all §506(c) expenses, including Trustee's commissions, and the fees and expenses of Trustee's retained professionals relating to the preservation, maintenance and sale of the Property, including, without limitation, reasonable attorney's fees and expenses pursuant to Sections 363(b) and (f) and 506(c) of Title 11 of the United States Code (the "Bankruptcy Code"); (c) determining that the Purchaser is a good faith purchaser and is thereby entitled to the protections afforded by Section 363(m) of the Bankruptcy Code. There are two judgment liens against the Property in favor of Harold Lee Schwab, totalling approximately \$66,460.14. The Title Report obtained in connection with the sale shows a recorded first mortgage in favor of Wells Fargo Bank, N.A., with a balance of approximately \$694,564.92. Both have consented to the sale. It should be noted that the Debtor's claimed homestead exemption has been denied by order of the Court.

PLEASE TAKE FURTHER NOTICE that objections, if any, to the Motion must be in writing setting forth the facts and authorities upon which an objection is based, filed with the Clerk of the Court, United States bankruptcy Court, One Bowling Green, New York, NY 10004, (a)(I) through the Bankruptcy

Court's electronic filing system (in accordance with General Order -242, as amended by General Order -269); or (b) if a party is unable to file electronically, such party shall submit the objection in PDF format on a diskette in an envelope with the case name, case number, type and title of document, document number of the document to which the objection refers, and the file name on the outside of the envelope; or (c) if a party is unable to file electronically or use PDF format, such party shall submit the objection on a diskette in either Word, WordPerfect, or DOS text (ASCII) format. An objection filed by a party with no legal representation shall comply with section (b) or (c) as set forth in this paragraph. A hard copy of the objection, whether filed pursuant to section (a), (b) or (c), as set forth in this paragraph, shall be hand-delivered directly to the Chambers of the Honorable Carla E. Craig, and served so as to be received by Law Offices of John S. Pereira: Attention Ann Marie Sinisi, Esq., and the United States Trustee's Office, Eastern District of New York, 271 Cadman Plaza East, Brooklyn, New York 11201, Attn: Linda Riffkin, Esq. no later than three business days before the Hearing Date.

PLEASE TAKE FURTHER NOTICE, that the Trustee will entertain higher and better offers for the Property from any prospective purchaser prior to the Hearing Date.

PLEASE TAKE FURTHER NOTICE, that the Trustee is seeking authority to offer bid protection to the Purchaser by providing in the Contract that no subsequent offer will be considered higher and better for the Property unless it is equal to or greater than the purchase price of (\$820,000.00) plus \$25,000.

PLEASE TAKE FURTHER NOTICE, that any party who intends to make a higher or better offer for the Property must appear in Court on the Hearing Date with a certified check made payable to the Trustee in the amount of 10% of that party's bid, and should make such intentions known to the Trustee by contacting Ann Marie Sinisi, Esq. Law Offices of John S. Pereira, 150 East 58th Street, 14th Floor, New York, NY 10155, tel. No. 212-758-5777, fax No. 212-751-6950 before the Hearing Date.

PLEASE TAKE FURTHER NOTICE, that the property will be available for inspection before the Hearing Date by making an appointment with Ann Marie Sinisi, Esq., at the address given in the paragraph above at least (2) business days prior to the requested inspection date.

PLEASE TAKE FURTHER NOTICE, that the party that makes the highest and best offer for the Property on the Hearing Date (the "Successful Purchaser") must assume the Contract and all of its terms and conditions. A copy of the Contract is on file with the Court and the undersigned.

PLEASE TAKE FURTHER NOTICE, that the Contract requires, inter alia, (i) that the sale of the Property be on an all cash basis, (ii) that the Successful Purchaser, upon submitting the highest and best offer, or upon entering into a Contract, must deposit with the Trustee a ten percent (10%) deposit toward the purchase price and the deposit must be paid in certified funds or other cash equivalent, (iii) that the balance of the purchase price must be paid in certified funds, and (iv) that the closing take place pursuant to the terms of the Contract, time being of the essence with respect to the purchaser's obligations.

PLEASE TAKE FURTHER NOTICE that the time is of the essence with respect to the obligations of the purchaser of the Property. In the event that the Successful Purchaser fails to timely close, the Trustee reserves the right to retain the deposit and contact the bidder who made the next highest and best offer (the "Alternative Successful Purchaser"), for the purpose of requiring him or her to purchase and close on the Property. The Alternative Successful Purchaser shall be bound to purchase the Property if the Successful Purchaser fails to close and the Trustee shall hold his or her deposit pending the closing of the sale.

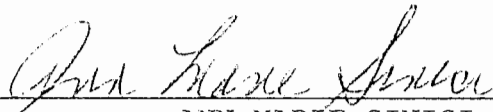
PLEASE TAKE FURTHER NOTICE that the closing date for the sale of the Property shall be not less than twenty (20) days following the later of (a) the entry of an order approving or authorizing the Contract; or (b) the completion of the hearing in which higher and better offers are sought. If the Successful Purchaser fails to timely complete the sale in accordance with the terms of the Contract, time being of the essence with respect to the obligation of the Successful Purchaser, the Trustee may terminate the Contract and retain as liquidated damages (and not as a penalty) for all loss, damages and expenses suffered by the Trustee, all payments made by the Successful Purchaser to the Trustee.

PLEASE TAKE FURTHER NOTICE that the Co-owner of the Property has agreed that the down payment and balance of the purchase price will be held in the Trustee's estate account, with the net proceeds of sale to be disbursed upon further order of the Court.

PLEASE TAKE FURTHER NOTICE that the Trustee reserves the right to vary or add to terms of sale up to and including the time of sale. Interested parties may contact the undersigned for such additional information.

Dated: New York, New York
August 11, 2006

JOHN S. PEREIRA
Chapter 7 Trustee


ANN MARIE SINISI
Law Offices of John S. Pereira
Attorney for the Trustee
150 East 58th Street
14th Floor
New York, New York 10155