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5 Mira Este Properties, LLC,
And Roselle Properties LLC
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8 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
9 **COUNTY OF SAN DIEGO, CENTRAL DIVISION**

10 SALAM RAZUKI, an individual
11 Plaintiff

12 vs

13 NINUS MALAN, an individual; CHRIS HAKIM,
an individual; MONARCH MANAGEMENT
CONSULTING, INC.,
14 California corporation; SAN DIEGO UNITED
HOLDINGS GROUP, LLC, a
15 California limited liability company; FLIP
MANAGEMENT, LLC, a California limited
16 liability company; MIRA ESTE PROPERTIES
LLC, a California limited liability company;
17 ROSELLE PROPERTIES, LLC, a California
limited liability company; BALBOA AVE
18 COOPERATIVE, a California nonprofit mutual
benefit corporation; CALIFORNIA CANNABIS
19 GROUP, a California nonprofit mutual benefit
corporation; DEVILISH DELIGHTS, INC. a
20 California nonprofit mutual benefit corporation;
and DOES 1-100, inclusive;

21
22 Defendants.

23 AND RELATED CROSS-ACTIONS
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25
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) Case No.: 37-2018-00034229-CU-BC-CTL

) (Unlimited Civil Action)

) **STATEMENT OF CHRIS HAKIM,**
) **ROSELLE PROPERTIES LLC, AND**
) **MIRA ESTE PROPERTIES LLC IN**
) **PARTIAL SUPPORT OF**
) **RECEIVER'S APPLICATION FOR**
) **APPROVAL OF SALE OF BALBOA**
) **PROPERTIES AND PAYMENT OF**
) **RECEIVER'S FEES AND COSTS**
) **FROM NET SALES PROCEEDS**

) Hearing Date: 4/26/2021

) Time: 9:00 AM

) Dept.: C-67

) I/C Judge: Hon. Eddie C. Sturgeon

) Complaint Filed: July 10, 2018

) Trial Date: January 14, 2022

) IMAGED FILE

1 Defendants Chris Hakim, Mira Este Properties LLC, and Roselle Properties LLC
2 (collectively, "Hakim Parties") respectfully submit the following Statement concerning the
3 application of the receiver relative to the sale of the properties located at 8861 Balboa
4 Avenue, Suite B, 8863 Balboa Avenue, Suite E, and 8859 Balboa Ave, Suites A-E ("Balboa
5 Properties") to Prodigious Collectives ("Prodigious").

6 **1. Introduction.**

7 The subject sale, although for an amount substantially less than the \$6 million *Pick Ax*
8 offer, has already been signed by the required parties and escrow *is scheduled* to close on or
9 about May 18, 2021. If there is any way to "undo" the sale and accept the Pick Ax offer, that
10 should be done. The Pick Ax offer would allow far more flexibility to the receiver than presently
11 exists regarding the payment of claims, including the receiver's own fees and costs.

12 Failing a reconsideration of the sale to Prodigious, the Hakim Parties do not object to that
13 portion of the receiver's application requesting final court approval of the sale to Prodigious.
14 The Hakim Parties also do not object to the receiver's request for authorization to pay off the
15 Salas Financial trust deed loan or the receiver's request that an adjudication of the rights of other
16 creditors be determined at a later date by the court.

17 In regards to the sums of approximately \$194,311.17 representing the alleged receiver's
18 fees and \$251,282.32 representing the receiver's alleged legal fees, the Hakim Parties object to
19 those amounts being distributed to the receiver and receiver's counsel at this time. A further
20 hearing should be held to determine the propriety of the listed items and amounts. In the
21 meantime, these amounts, totaling \$445,593.49, should be held in a trust account or even in the
22 receiver's account with the further order that no distributions of these amounts be made until
23 further order of the court, pending the subject hearing on the items and amounts claimed.

24 **2. The receiver's request for payment of his fees and costs from the net sales
25 proceeds immediately upon the close of escrow should be approved but with the caveat that
26 the amount paid to the receiver and his counsel should be deposited into court and not
27 disbursed until there is a further itemization of charges incurred by the receiver and counsel
and a further hearing on the amounts claimed.**

1 The court's order from August 2019 directed the receiver not to pay himself or his attorneys
2 any more monies pending further order of the court. The receiver fails to address that order and
3 fails to offer any change of circumstances to justify a modification of the order.

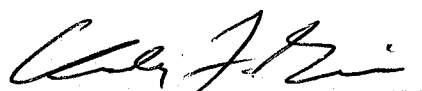
4 Additionally, the fees and costs sought by the receiver are not properly itemized in several
5 respects. They include amounts accruing both before and after the August 2019 court order
6 without specification regarding the pre-order fees and costs. Further, it cannot be determined
7 which property (Balboa Properties or Mira Este Facility) should be charged with the alleged
8 service performed by the receiver or his counsel, and whether the service was reasonable and
9 necessary.

10 Until a further itemization and clarification of the amounts claimed by the receiver and
11 counsel are made and a further hearing can be held, it is requested that the amounts sought, totaling
12 \$445,593.49, be held in the receiver's bank account or in a trust account, and not distributed until
13 further order of the court.

14 Respectfully submitted,

15 **GORIA, WEBER & JARVIS**

16 Dated: April 26, 2021

17 By: 
18 Charles F. Gorla
19 Attorneys for Defendants
20 Chris Hakim, Mira Este Properties
21 LLC, and Roselle Properties LLC
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