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Honorable Marc Barreca  
CHAPTER: 11  
HEARING DATE: September 24, 2010  
HEARING TIME: 9:30am  
RESPONSE DATE: September 17, 2010

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11 UNITED STATES BANKRUPTCY COURT

12 WESTERN DISTRICT OF WASHINGTON - SEATTLE DIVISION

13 In re

14 MEDINA-OVERLAKE 1 LLC ,

15 Debtor(s).

Case No. 09-22148-MLB

Chapter 11

DECLARATION IN SUPPORT OF  
MOTION FOR RELIEF FROM  
AUTOMATIC STAY

16 I, Wanda Chapman, declare:

17 1. I am employed as a bankruptcy supervisor by JPMorgan Chase Bank, National  
18 Association, successor in interest to Washington Mutual Bank f/k/a Washington Mutual Bank, FA  
19 ("Movant"). I have personal knowledge of the matters set forth in this declaration and, if called upon  
20 to testify, I could and would competently testify thereto. I am over 18 years of age. I have knowledge  
21 regarding Movant's interest in the real property that is the subject of this Motion.

22 2. I am familiar with the manner and procedures by which Movant's business records are  
23 obtained, prepared, and maintained. Those records are obtained, prepared, and maintained by  
24 Movant's employees or agents in the performance of their regular business duties at or near the time,  
25 and conditions, and/or events recorded thereon. The records are made either by persons with  
26 knowledge of the matters they record or from information obtained by persons with such knowledge.  
27 I have knowledge and/or access to Movant's business records regarding the Note and Deed of Trust  
28

1 that are the subject of this action and have personally reviewed these business records prior to  
2 executing this declaration.

3 3. On or about April 27, 2007, Haydeh Sharifi ("Borrower"), for valuable consideration,  
4 made, executed and delivered to Washington Mutual Bank, FA ("Lender") a Note in the principal  
5 sum of \$900,000.00 (the "Note"). Pursuant to the Note and any endorsements, Borrower is obligated  
6 to make monthly principal and interest payments commencing June 1, 2007, and continuing until  
7 May 1, 2037, when all outstanding amounts are due and payable. A copy of the Note is attached  
8 hereto as exhibit A and incorporated herein by reference.

9 4. Movant qualifies as the Note Holder and is entitled to payments under the Note.

10 5. On or about April 27, 2007, Borrower made, executed and delivered to Lender a Deed  
11 of Trust (the "Deed of Trust") granting Lender a security interest in the certain real property located  
12 at 10427 NE 43rd St, Kirkland, Washington 98033 (hereinafter "Real Property"), which is more fully  
13 described in the Deed of Trust. The Deed of Trust provides that attorneys' fees and costs incurred as  
14 a result of the Debtor' bankruptcy case may be included in the outstanding balance under the Note.  
15 The Deed of Trust was recorded on May 4, 2007, in the Official Records of King County, State of  
16 Washington. A copy of the Deed of Trust is attached hereto as exhibit B and incorporated herein by  
17 reference.

18 6. On or about November 18, 2009, an unauthorized Quit Claim Deed was recorded in  
19 the King County Recorder's office whereby Behzad A. Dadvar and Hayedeh Sharifi purported to  
20 transfer interest in the Subject Property to Medina Overlake 1, LLC for no consideration. A true and  
21 correct copy of the unauthorized Quit Claim is attached to the Declaration in Support of Motion for  
22 Relief From Automatic Stay as exhibit C and incorporated herein by reference

23 7. On or about September 25, 2008, WAMU was closed by the Office of Thrift  
24 Supervision and the FDIC was named receiver. As authorized by Section 11(d)(2)(G)(i)(II) of the  
25 Federal Deposit Insurance Act, 12 U.S.C. Section 1821(d)(G)(i)(II), the FDIC, as receiver of  
26 WAMU, may transfer any asset or liability of WAMU without any approval, assignment, or consent  
27 with respect to such transfer. Pursuant to the terms and conditions of a Purchase and Assumption  
28 Agreement between the FDIC as receiver of WAMU and Movant dated September 25, 2008, Movant

1 acquired certain of the assets, including all loans and all loan commitments of WAMU. As a result,  
2 on September 25, 2008, Movant became the owner of the loans and loan commitments of WAMU.

3 8. The Debtor is in default as of July 15, 2010 obligations under the Note for failure to  
4 make payments as of January 1, 2009. As of July 15, 2010, the total amount owing under the Note is  
5 the approximate sum of \$1,006,472.68, representing the principal balance of \$887,570.92, interest in  
6 the sum of \$107,058.63, late charges in the amount of \$1,962.36, other fees of \$75.95, a recoverable  
7 balance of \$192.00, and escrow advances in the amount of \$9,612.82. Further, Movant has incurred  
8 additional attorneys' fees and costs in bringing the instant Motion. Moreover, the total arrears under  
9 the Note are in the approximate sum of \$145,940.86, excluding the attorneys' fees and costs incurred  
10 in filing the instant Motion. This is an approximate amount for purposes of this Motion only, and  
11 should not be relied upon as such to pay off the subject loan as interest and additional advances may  
12 come due subsequent to the filing of the Motion. An exact payoff amount can be obtained by  
13 contacting Movant's counsel.

14 9. The Debtor is obligated to make all post-petition payments owing on the Note directly  
15 to Movant. However, Movant has not received the post-petition payments owing for December 1,  
16 2009 through August 1, 2010. Accordingly, the post-petition arrears owing under the Note are in the  
17 approximate sum of \$62,335.98, consisting of nine (9) payments of \$6,926.22 each, excluding the  
18 attorneys' fees and costs incurred in filing the instant Motion.

19 10. A debtor's failure to make payments as they become due in a Chapter 11 case  
20 constitutes "cause" for relief from the automatic stay pursuant to 11 United States Code § 362(d)(1).  
21 Accordingly, as the Debtor has failed to make payments under the Note, Movant is entitled to relief  
22 from the automatic stay pursuant to 11 United States Code § 362(d)(1).

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1 11. I am informed and believe that, based on the Debtor s bankruptcy Schedules, the fair  
2 market value of the Real Property is no more than \$500,000.00. True and correct copies of Debtor s  
3 bankruptcy Schedules A and D are collectively attached hereto as exhibit D and incorporated herein  
4 by reference.

5 12. Based on the above, under the best case scenario, Movant is informed and believes  
6 that the equity in the Real Property is as follows:

7	Fair Market Value:	\$500,000.00
8	Less:	
	Movant's Trust Deed	\$1,006,472.68
9	Costs of Sale (8%)	\$40,000.00
	Equity in the Property:	\$<546,472.68>

10  
11 I declare under penalty of perjury under the laws of the United States of America that the  
12 foregoing is true and correct. Executed this 5<sup>th</sup> day of August, 2010, at  
13 Florence, SC (city, state).

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