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9 *Attorney for Lothar Goernitz, Case Trustee*

10 **IN THE UNITED STATES BANKRUPTCY COURT**

11 **FOR THE DISTRICT OF ARIZONA**

12 In re:

(Chapter 7 Case)

13 SHADI HASSAN ERAKAT,

No. 2:25-bk-06038-DPC

14 Debtor.

15 **NOTICE TO CREDITORS AND**
16 **INTERESTED PARTIES OF PUBLIC**
17 **AUCTION OF ESTATE'S INTEREST**
18 **IN PROPERTY AND APPROVE**
19 **BIDDING PROCEDURES**

20 **AND**

21 **NOTICE OF TRUSTEE'S MOTION TO**
22 **SELL PROPERTY OF THE ESTATE**
23 **SUBJECT TO ALL LIENS, CLAIMS,**
24 **INTERESTS, AND ENCUMBRANCES**

25 **TO: ALL CREDITORS AND PARTIES-IN-INTEREST**

26 **NOTICE IS GIVEN** that Lothar Goernitz, Chapter 7 Trustee (“**Trustee**”) proposes to
27 offer the Estate’s interest in the Payment Stream (“**Property**”) for sale to the person making the
28 highest and best bid at public sale on **Friday, October 30, 2026 at 8:30 a.m.** Bidders may place
bids by attending the online auction at www.liquidation-sales.com. Parties may also participate
by: Using the below Zoom link: <https://zoom.us/jc/83796797939?join?prefer=1&pwd=758448>
OR by dialing in by calling the below number: (1) Phone Number: 253-215-8782; (2) Meeting
ID: 837 9679 7939 #; and (3) Passcode: 758448

29 Property to be Sold:

On November 12, 2025, the Court entered an *Order Approving Trustee's Stipulated Application to Compromise Claims* (“**9019 Order**”). (DE 35).

The 9019 Order provided, *inter alia*:

Debtor shall remit the Settlement Amount of \$15,000.00 in full satisfaction of the Claims;

Debtor shall remit monthly payments to the Trustee in the amount of \$500.00 on the first day of every month for thirty (30) months, with the first monthly payment of \$500.00 to the Trustee due by November 19, 2025;

	A balloon payment shall be made by Debtor on the first day of the twenty-fourth (24th) month for the then remaining balance (estimated to be \$3,000.00 in November of 2027); Prior to the month twenty-four (24) balloon payment becoming due, if Debtor receives federal and/or state tax refunds, Debtor will turnover 100% (up to the remaining outstanding balance) upon receipt to the Trustee in order to further pay down/pay off the Settlement Amount balance. Debtor shall provide copies of his tax returns within 7 days of completion to Trustee's counsel via email (helen.santilli@nrhslaw.com); and Debtor agrees that failure to timely remit payment to the Trustee will constitute a default under the terms of this Application. In the event of default, a ten (10) day default notice will be delivered to the Debtor and their respective attorney. If Debtor fails to timely cure the default, Trustee may file an affidavit of non-payment and lodge a proposed judgment for the balance owing hereunder and reflecting judgment against Debtor, and the Trustee will be entitled to make application for any costs and attorneys' fees incurred by the Estate, from the date of default in order to collect the settlement funds. As of the filing of the Motion, the Debtor has paid the total sum of \$5,000.00, leaving a balance of \$6,000.00 owed under the 9019 Order. Through this Motion, the Estate is selling its right, title, and interest owed under the 9019 Order ("Payment Stream").
Terms of Sale:	Prospective purchasers may not rely on the information in the Motion/this Notice in making an offer and/or bid and must perform their own due diligence to analyze the value of this asset. The Payment Stream will be sold on an "AS IS" / "WHERE IS" basis, with no warranties, guarantees express or implied, subject to all liens, claims, encumbrances and interests. All sales are subject to sales tax unless the property being sold is tax-exempt or a resale number is used as proof of exemption. The Trustee will execute whatever documentation necessary to transfer the Estate's interest in the Payment Stream. <i>All sales are subject to Trustee's approval.</i> The sale remains subject to the Trustee's final approval; the Trustee reserves the right, in his sole business judgment, to reject any or all bids, including the highest bid, if the Trustee determines that the consideration offered is inadequate or that

	consummation of the proposed sale would not be in the best interests of the Estate.
Proposed Purchaser	The Trustee does have an opening offer from Steven Mitnick for \$1,500.00 but Trustee will solicit an opening offer at the sale. The successful bidder shall remit the full purchase price in immediately available funds to Brian J. Mullen, Trustee, within five (5) business days after conclusion of the auction. No right, title, or interest in the Payment Stream shall transfer until the Trustee has received the purchase price in cleared funds. Offers are subject to higher and better bids and Trustee approval.
Insider:	The proposed purchase is Steven Mitnick. Mr. Mitnick is not an insider and has no relationship to the Debtor, Trustee, or Estate.
To View the Real Property or Obtain More information:	For more information, contact Trustee's counsel, Helen K. Santilli at 602-258-6000.
Description of Interest(s) in the Property:	Trustee is not aware of any other entities holding an interest in the Payment Stream. (<u>The Estate's Interest in the Payment Stream is being sold as-is, where-is, with no representations, guarantees, or warranties, subject to all liens, claims, and interests.</u> Upon the later of the completion of the proposed sale and receipt of full payment of the purchase price, the Trustee shall execute any necessary Assignments or Bills of Sale transferring the Estate's interest in the Payment Stream to the prevailing bidder subject to the terms set forth herein and an Order entered by the Court approving the terms of the sale.
Appraisals:	The Trustee is not aware of any recent appraisals on the Payment Stream being sold. The Trustee makes no representation concerning the existence, validity, priority, or extent of any lien, claim, interest, or encumbrance affecting the Property.
Compensation/Fees:	There are no broker's fees/compensation related to this sale.
Motions for stay relief:	There have been no motions for stay relief.

NOTICE IS HEREBY GIVEN that Brian J. Mullen, Chapter 7 Trustee, by and through undersigned counsel, filed a *Motion to Sell Property of the Estate Subject to All Liens, Claims, Interests, and Encumbrances and to Approve Bidding Procedures* (“**Motion**”). The pertinent provisions of the Motion are set forth above. Any person opposing same shall file a written objection, specifying the reason therefor, together with a notice of hearing, on or before 21 days of the date of this mailing as follows: United States Bankruptcy Court, as follows: (a) by hand-delivery or mail to the Clerk of the Court, 230 North First Avenue, Suite 101, Phoenix, Arizona 85003-1706; or (b) electronically at the Court’s website: ecf.azb.uscourts.gov using the Court’s electronic filing procedures, with a copy to: Nach, Rodgers, Hilkert & Santilli at the above-address. **All sales are subject to Trustee final approval.**

If a person timely objects in writing and a hearing is requested but has not yet been conducted by the Court as of the date of the scheduled auction, bids will be taken and the normal sales procedures followed. The closing of the sale remains dependent upon the outcome of the Court hearing regarding the objection. If there is no timely objection and request for hearing, no hearing will be held, and the Trustee will proceed to sell the property without further order of the Court.

DATED: September 10, 2026

NACH, RODGERS, HILKERT & SANTILLI

By: /s/ Helen K. Santilli
Helen K. Santilli
Attorney for Trustee

COPY of the foregoing delivered via electronic notification and/or mail to:

Jason S. Treguboff
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PO Box 2385
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Email: jtreguboff@tregerlaw.com
Attorney for Debtor

Office of U.S. Trustee
230 North First Avenue
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Email: Jennifer.a.giaimo@usdoj.gov
Email: ustpreion14.px.ecf@usdoj.gov

Shadi Hassan Erakat
8729 W. Superior Ave.
Tolleson, AZ 85353
Debtor

All parties on the attached mailing matrix.¹

By: /s/ *Danica Acosta*

¹ A copy of the master mailing matrix shall not be mailed but is available upon written request to helen.santilli@NRHSLaw.com