

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



ITEM
9.4
(ID # 2554)

FROM : TREASURER-TAX COLLECTOR:

MEETING DATE:
Tuesday, January 24, 2017

SUBJECT: TREASURER-TAX COLLECTOR: Recommendation for Distribution of Excess Proceeds for Tax Sale No. 203, Items 469, 470, 471, 472, 473, 474 & 475. Last assessed to: Polo Square Partners, LLC, a California Limited Liability Company. District 4 [\$4,828,684-Fund 65595 Excess Proceeds from Tax Sale].

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the claims from Nong Hyup Bank Co, Ltd., Trustee of the Hana New Leader Palm Spring Real Estate Fund 8-4 for payment of excess proceeds resulting from the Tax Collector's public auction sale associated with parcels 600130022-8, 600190001-5, 600190002-6, 600190003-7, 600190004-8, 600190007-1 & 600200001-5;
2. Deny the claims from McGuire & Walker, a PLC, attorneys for RBF Consulting;
3. Deny the claims from Sheldon J. Fleming, Esq., attorney for MVE Studio, Inc.;
4. Authorize and direct the Auditor-Controller to issue a warrant to Nong Hyup Bank Co, Ltd., Trustee of the Hana New Leader Palm Spring Real Estate Fund 8-4 in the amount of \$4,828,684.63, no sooner than ninety days from the date of this order, unless an appeal has been filed in Superior Court, pursuant to the California Revenue and Taxation Code Section 4675.


Don Kent, Treasurer-Tax Collector 12/19/2016


FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 4,828,684	\$ 0	\$ 4,828,684	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: Fund 65595 Excess Proceeds from Tax Sale.			Budget Adjustment: No	
			For Fiscal Year:	16/17

C.E.O. RECOMMENDATION:

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Jeffries, seconded by Supervisor Ashley and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Washington and Ashley
Nays: None
Absent: Tavaglione
Date: January 24, 2017
xc: Treasurer

Kecia Harper-Ihem
Clerk of the Board
By: 
Deputy

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BACKGROUND:

Summary

In accordance with Section 3691 et seq. of the California Revenue and Taxation Code, and with prior approval of the Board of Supervisors, The Tax Collector conducted the May 5, 2015 public auction sale. The deed conveying title to the purchasers at the auction was recorded June 18, 2015. Further, as required by Section 4676 of the California Revenue and Taxation Code, notice of the right to claim excess proceeds was given on July 22, 2015, to parties of interest as defined in Section 4675 of said code. Parties of interest have been determined by an examination of lot book reports as well as Assessor's and Recorder's records, and various research methods were used to obtain current mailing addresses for these parties of interest.

The Treasurer-Tax Collector has received twenty-one claims for excess proceeds:

1. Claims from Nong Hyup Bank Co, Ltd., Trustee of the Hana New Leader Palm Spring Real Estate Fund 8-4 based on a Deed of Trust with Assignment of Rents, Security Agreement and Fixture Filing (California) recorded July 9, 2007 as Instrument No. 2007-0445202.
2. Claims from McGuire & Walker, a PLC, attorneys for RBF Consulting based on an Abstract of Judgment recorded February 3, 2010 as Instrument No. 2010-0050049.
3. Claims from Sheldon J. Fleming, Esq., attorney for MVE Studio, Inc. based on an Abstract of Judgment recorded September 9, 2011 as Instrument No. 2011-0400978.

Pursuant to Section 4675 of the California Revenue and Taxation Code, it is the recommendation of this office that Nong Hyup Bank Co, Ltd., Trustee of the Hana New Leader Palm Spring Real Estate Fund 8-4 be awarded excess proceeds in the amount of \$4,828,684.63. Since the amount claimed by Nong Hyup Bank Co, Ltd., Trustee of the Hana New Leader Palm Spring Real Estate Fund 8-4 exceeds the amount of excess proceeds available, there are no funds available for consideration for the claims from McGuire & Walker, a PLC, attorneys for RBF Consulting and Sheldon J. Fleming, Esq., attorney for MVE Studio, Inc. Supporting documentation has been provided. The Tax Collector requests approval of the above recommended motion. Notice of this recommendation was sent to the claimants by certified mail.

EP 203	Item	469	\$1,964,676.26
EP 203	Item	470	\$251,049.59
EP 203	Item	471	\$153,386.07
EP 203	Item	472	\$1,227,132.01
EP 203	Item	473	\$534,329.38
EP 203	Item	474	\$11,283.06
EP 203	Item	475	\$686,828.26

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Total **\$4,828,684.63**

Impact on Residents and Businesses

Excess proceeds are being released to a Deed of Trust holder of the property.

ATTACHMENTS (if any, in this order):

ATTACHMENT A. Claim NongHyupBank

ATTACHMENT B. Claim Walker

ATTACHMENT C. Claim Fleming