

1 SAMUEL R. MAIZEL (Bar No. 189301)
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2 TANIA M. MOYRON (Bar No. 235736)
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6 Attorneys for the Post-Effective Date
7 Debtor and the Co-Liquidating Trustee
Jeffrey N. Pomerantz (Bar No. 143717)
8 Steven W. Golden (Admitted Pro Hac Vice)
PACHULSKI STANG ZIEHL & JONES LLP
9 10100 Santa Monica Blvd., 13th Floor
Los Angeles, CA 90067
10 Telephone: 310-277-6910
Facsimile: 310-201-0760
11 Email: jpomerantz@pszjlaw.com
sgolden@pszjlaw.com

12 Attorneys for the Co-Liquidating Trustee

14 **UNITED STATES BANKRUPTCY COURT**
15 **SOUTHERN DISTRICT OF CALIFORNIA**

16 In re
17 BORREGO COMMUNITY
HEALTH FOUNDATION,
18
19 Debtor and Debtor in
Possession.

Case No. 22-02384-11
Chapter 11 Case
Judge: Honorable Laura S. Taylor

**STIPULATION BY AND AMONG THE
POST-EFFECTIVE DATE DEBTOR,
THE LIQUIDATING TRUSTEE, THE
CO-LIQUIDATING TRUSTEES AND
SOUTHERN CALIFORNIA REAL
ESTATE SERVICES FOR DRC CITRUS
OFFICE, L.P. REGARDING CLAIM NO.
237**

DENTONS US LLP
601 SOUTH FIGUEROA STREET, SUITE 2500
LOS ANGELES, CALIFORNIA 90017-5704
(213) 623-9300

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1 Borrego Community Health Foundation, the debtor and debtor in possession
2 (prior to the effective date of the Plan (defined below), the “Debtor,” and after the
3 effective date, the “Post-Effective Date Debtor”) in the above-captioned chapter 11
4 bankruptcy case, the Liquidating Trustee (the “Liquidating Trustee”) of the Borrego
5 Community Health Foundation Liquidating Trust (the “Liquidating Trust”), the
6 Co-Liquidating Trustees of the Liquidating Trust (the “Co-Liquidating Trustees”) and
7 Southern California Real Estate Services for DRC Citrus Office, L.P. (the
8 “Claimant”, and collectively with the Post-Effective Date Debtor, the Liquidating
9 Trustee, and the Co-Liquidating Trustees, the “Parties”) hereby enter into this
10 *Stipulation By and Among the Post-Effective Date Debtor, the Liquidating Trustee,*
11 *the Co-Liquidating Trustees and Southern California Real Estate Services for DRC*
12 *Citrus Office, L.P. Regarding Claim No. 237.*

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17 **RECITALS**

18 WHEREAS, on September 12, 2022, the Debtor filed a voluntary petition for
19 relief under chapter 11 of title 11 of the United States Code commencing Case No.
20 22-02384 (the “Chapter 11 Case”) in the United States Bankruptcy Court for the
21 Southern District of California;

22 WHEREAS, on or about December 12, 2023, Claimant filed Proof of Claim
23 No. 237 in the amount of \$264,143.39 (“Claim 237”), a copy of which is attached
24 hereto as **Exhibit A**;

25 WHEREAS, the Liquidating Trust was established pursuant to the *First*
26 *Amended Joint Combined Disclosure Statement and Chapter 11 Plan of*
27 *Liquidation of Borrego Community Health Foundation* [Docket No. 1168] (the
28

1 “Plan”), confirmed by the order [Docket No. 1273] entered January 25, 2024 (the
2 “Confirmation Order”), and that certain *Liquidating Trust Agreement*, dated as of
3 February 14, 2024 (the “Liquidating Trust Agreement”);

4 WHEREAS, the Post-Effective Date Debtor has reviewed its books and
5 records and believes that Claim 237 relates to certain lease and rental payments
6 rendered by the Claimant on behalf of the Debtor; and

7 WHEREAS, after the Post-Effective Date Debtor’s professionals reviewed
8 Claim 237, the Parties have agreed to resolve any issues regarding Claim 237 as
9 set forth herein.

10 **STIPULATION**

11 **NOW THEREFORE**, subject to the approval of the Court, the Parties
12 hereby agree and stipulate as follows:

13 1. Claim 237 shall be reduced and allowed as a general unsecured claim
14 in the amount of \$175,000.00 (the “Allowed Claim Amount”).

15 2. Within thirty (30) days of entry of the order approving this Stipulation,
16 the Liquidating Trust shall pay the Allowed Claim Amount to Claimant pursuant to
17 the Plan.

18 3. In consideration of the agreements with and value provided herein and
19 other good and valuable consideration, the Parties hereby waive, remise, release
20 and forever discharge the other, including each of their respective former and
21 current predecessors, successors, assigns, affiliates, subsidiaries, parent companies,
22 shareholders, partners, members, managers, investors directors, officers,
23 accountants, attorneys, employees, agents, representatives and servants of, from and
24 against any and all claims, actions, causes of action, suits, proceedings, defenses,
25 counterclaims, contracts, judgments, damages, accounts, reckonings, executions,
26 and liabilities whatsoever of every name and nature, whether known or unknown,
27 whether or not well-founded in fact or in law, and whether in law, at equity or
28 otherwise, which either Party ever had or now has for or by reason of any matter,

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1 cause or anything whatsoever to this date relating to or arising out of the Parties'
2 prior business relationship, or the Chapter 11 Case.

3 4. Each of the Parties to the Stipulation acknowledge that they are
4 familiar with California Civil Code Section 1542 and with respect to the matters
5 released herein, each Party expressly waives any and all rights under California
6 Civil Code Section 1542 and under any other federal or state statute or law of
7 similar effect. California Civil Code Section 1542 provides:

8
9 A general release does not extend to claims that the
10 creditor or releasing party does not know or suspect to
11 exist in his or her favor at the time of executing the
12 release and that, if known by him or her, would have
13 materially affected his or her settlement with the debtor
14 or released party.

15 5. Claimant hereby warrants that Claimant (a) is authorized and
16 empowered to execute this Stipulation on behalf of the Claimant, (b) has read this
17 Stipulation in its entirety and fully understands and accepts the terms set forth
18 herein, (c) has had an opportunity to consult with legal counsel and any other
19 advisors of Claimant's choice with respect to the terms of this Stipulation, and (d)
20 is signing this Stipulation on Claimant's own free will.
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1 6. The terms, covenants, conditions, and provisions of this Stipulation
2 cannot be altered, changed, modified, or added to, or deleted from, except in a
3 writing signed by all parties hereto.

4 7. This Stipulation may be executed in counterparts each of which shall
5 be deemed an original, but all of which together shall constitute one and the same.

6 8. The Court shall retain jurisdiction over all matters relating to the
7 interpretation and enforcement of this Stipulation.

8
9 Dated: October 7, 2024

DENTONS US LLP
SAMUEL R. MAIZEL
TANIA M. MOYRON

11 By /s/ Tania M. Moyron
Tania M. Moyron

12
13 Attorneys for the Post-Effective Date
Debtor and the Co-Liquidating Trustee

14 Dated: October 7, 2024

PACHULSKI STANG ZIEHL & JONES LLP
Jeffrey N. Pomerantz
Steven W. Golden

17 By /s/ Steven W. Golden
Steven W. Golden

18 Attorneys for the Co-Liquidating Trustee

20 Dated: October 7, 2024

CORNELIUS & KASENDORF, APC

22 By Alexandre I Cornelius
Alexandre Ian Cornelius

24 Attorneys for Southern California Real Estate
Services for DRC Citrus Office, L.P.

DENTONS US LLP
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LOS ANGELES, CALIFORNIA 90017-5704
(213) 623-9300

EXHIBIT A

Fill in this information to identify the case:

Debtor Borrego Community Health Foundation

United States Bankruptcy Court for the: Southern District of California
 (State)

Case number 22-02384

**Official Form 410
 Proof of Claim**

04/22

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed. That date is on the notice of bankruptcy (Form 309) that you received.

Part 1: Identify the Claim

1. **Who is the current creditor?** Southern California Real Estate Services for DRC Citrus Office, L.P.
 Name of the current creditor (the person or entity to be paid for this claim)
 Other names the creditor used with the debtor DRC Citrus Office, LP, a Delaware Limited Partnership

2. **Has this claim been acquired from someone else?** No
 Yes. From whom? _____

3. **Where should notices and payments to the creditor be sent?**

Where should notices to the creditor be sent?	Where should payments to the creditor be sent? (if different)
See summary page	

Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)

Contact phone 714-259-9900 Contact phone _____
 Contact email cornelius@thecalaw.com Contact email _____

(see summary page for notice party information)
 Uniform claim identifier for electronic payments in chapter 13 (if you use one):

4. **Does this claim amend one already filed?** No
 Yes. Claim number on court claims registry (if known) See summary page Filed on See summary page
 MM / DD / YYYY

5. **Do you know if anyone else has filed a proof of claim for this claim?** No
 Yes. Who made the earlier filing? Southern California Real Estate Services for DRC Citrus Of



Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor? No
 Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: _____

7. How much is the claim? \$ 264,143.39. Does this amount include interest or other charges?
 No
 Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.
 Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).
 Limit disclosing information that is entitled to privacy, such as health care information.

Lease and Rental Payments

9. Is all or part of the claim secured? No
 Yes. The claim is secured by a lien on property.
Nature or property:
 Real estate: If the claim is secured by the debtor's principle residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.
 Motor vehicle
 Other. Describe: _____

Basis for perfection: _____
 Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)

Value of property: \$ _____
Amount of the claim that is secured: \$ _____
Amount of the claim that is unsecured: \$ _____ (The sum of the secured and unsecured amount should match the amount in line 7.)

Amount necessary to cure any default as of the date of the petition: \$ _____

Annual Interest Rate (when case was filed) _____ %
 Fixed
 Variable

10. Is this claim based on a lease? No
 Yes. Amount necessary to cure any default as of the date of the petition. \$ 9,537.04

11. Is this claim subject to a right of setoff? No
 Yes. Identify the property: Security Deposit of 25,211.82



12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

No

Yes. Check all that apply:

	Amount entitled to priority
<input type="checkbox"/> Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).	\$ _____
<input type="checkbox"/> Up to \$3,350* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7).	\$ _____
<input type="checkbox"/> Wages, salaries, or commissions (up to \$15,150*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4).	\$ _____
<input type="checkbox"/> Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8).	\$ _____
<input type="checkbox"/> Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5).	\$ _____
<input type="checkbox"/> Other. Specify subsection of 11 U.S.C. § 507(a)() that applies.	\$ _____

* Amounts are subject to adjustment on 4/01/25 and every 3 years after that for cases begun on or after the date of adjustment.

13. Is all or part of the claim entitled to administrative priority pursuant to 11 U.S.C. 503(b)(9)?

No

Yes. Indicate the amount of your claim arising from the value of any goods received by the debtor within 20 days before the date of commencement of the above case, in which the goods have been sold to the Debtor in the ordinary course of such Debtor's business. Attach documentation supporting such claim.

\$ _____

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

I am the creditor.

I am the creditor's attorney or authorized agent.

I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.

I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 12/12/2023
MM / DD / YYYY

/s/Alexandre Ian Cornelius
Signature

Print the name of the person who is completing and signing this claim:

Name Alexandre Ian Cornelius
First name Middle name Last name

Title Attorney In Fact

Company Cornelius Kasendorf APC
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address 23801 Calabasas Rd., Suite 100, Calabasas, CA, 91302, United States

Contact phone 818-835-9159 Email cornelius@thecalaw.com



For phone assistance: Domestic (866) 967-0670 | International (310) 751-2670

Debtor: 22-02384 - Borrego Community Health Foundation District: Southern District of California, San Diego Division		
Creditor: Southern California Real Estate Services for DRC Citrus Office, L.P. Serena Benson 15901 Red Hill Ave, Suite 205 Tustin, CA, 92780 United States Phone: 714-259-9900 Phone 2: 818-835-9159 Fax: 714-259-9910 Email: cornelius@thecalaw.com	Has Supporting Documentation: Yes, supporting documentation successfully uploaded Related Document Statement:	
	Has Related Claim: Yes Related Claim Filed By: Southern California Real Estate Services for DRC Citrus Office, L.P.	
	Filing Party: Authorized agent	
Disbursement/Notice Parties: Alexandre Cornelius 23801 Calabasas Rd., Suite 100 Calabasas, California, 91302 United States Phone: 818-835-9159 Phone 2: Fax: 818-396-3160 E-mail: cornelius@thecalaw.com		
Other Names Used with Debtor: DRC Citrus Office, LP, a Delaware Limited Partnership	Amends Claim: Yes - 2202384221019011921005185, November 7, 2022 Acquired Claim: Yes	
Basis of Claim: Lease and Rental Payments	Last 4 Digits: No	Uniform Claim Identifier:
Total Amount of Claim: 264,143.39	Includes Interest or Charges: Yes	
Has Priority Claim: No	Priority Under:	
Has Secured Claim: No Amount of 503(b)(9): No Based on Lease: Yes, 9,537.04 Subject to Right of Setoff: Yes, Security Deposit of 25,211.82	Nature of Secured Amount: Value of Property: Annual Interest Rate: Arrearage Amount: Basis for Perfection: Amount Unsecured:	

Submitted By:

Alexandre Ian Cornelius on 12-Dec-2023 8:25:17 p.m. Eastern Time

Title:

Attorney In Fact

Company:

Cornelius Kasendorf APC

Optional Signature Address:

23801 Calabasas Rd.

Suite 100

Calabasas, CA, 91302

United States

Telephone Number:

818-835-9159

Email:

cornelius@thecalaw.com

PROOF OF CLAIM CALCULATION AND
ATTORNEY FEE

Southern California Real Estate Services
DRC Citrus Office, LP
15901 Red Hill Avenue, Suite 205
Tustin, California 92780

Rent Owed Pre-Bankruptcy:	\$9,537.04
Rent Owed under 11 USC 365:	\$255,806.43
Lease Rejection (see attached for breakdown by Suite)	
Attorney's Fees:	\$13,541.35
Attorney's Costs:	\$278.36
Subtotal:	\$279,163.18
Balance of Security Deposit: Applied to reduce Claim (see attached)	(\$15,019.79)
TOTAL AMOUNT OF CLAIM:	\$264,143.39

1700 Suite 280/290

2023		
	Mar	
	Apr	
	May	\$7,185.25
	Jun	\$7,185.25
	Jul	\$7,247.83
	Aug	\$7,400.81
	Sep	\$7,400.81
	Oct	\$7,400.81
	Nov	\$7,400.81
	Dec	\$7,400.81
2024		
	Jan	\$7,400.81
	Feb	\$7,400.81
	Mar	\$7,400.81
	Apr	\$7,400.81
	May	\$7,400.81
	Jun	\$7,400.81
	Jul	\$7,465.27
	Aug	\$7,622.83
	Sep	\$7,622.83
	Oct	\$7,622.83
	Nov	\$7,622.83
	Dec	\$7,622.83
2025		
	Jan	\$7,622.83
	Feb	\$7,622.83
	Mar	\$7,622.83
	Apr	\$7,622.83
	May	\$7,622.83
	Jun	\$7,622.83
End of Lease	Jul	\$5,409.75
		\$199,753.39

Total for 12 months of lease payments \$73,424.00

15% of Total Payments Remaining \$29,963.01

1600 Suite 210

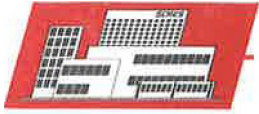
2023			
	Mar		
	Apr		
	May	\$2,647.42	
	Jun	\$2,647.42	
	Jul	\$2,670.48	
	Aug	\$2,726.84	
	Sep	\$2,726.84	
	Oct	\$2,726.84	
	Nov	\$2,726.84	
	Dec	\$2,726.84	
2024			
	Jan	\$2,726.84	
	Feb	\$2,726.84	Total for 12 months of lease payments
	Mar	\$2,726.84	
	Apr	\$2,726.84	
	May	\$2,726.84	
	Jun	\$2,726.84	
	Jul	\$2,750.59	
	Aug	\$2,808.65	
	Sep	\$2,808.65	
	Oct	\$2,808.65	
	Nov	\$2,808.65	
	Dec	\$2,808.65	
2025			
	Jan	\$2,808.65	
	Feb	\$2,808.65	
	Mar	\$2,808.65	
	Apr	\$2,808.65	
	May	\$2,808.65	
	Jun	\$2,808.65	
End of Lease	Jul	\$1,993.24	
		\$73,599.54	15% of Total Payments Remaining
			\$11,039.93

1600 Suite 220

2023			
	Mar		
	Apr		
	May	\$6,708.37	
	Jun	\$6,708.37	
	Jul	\$6,766.80	
	Aug	\$6,909.62	
	Sep	\$6,909.62	
	Oct	\$6,909.62	
	Nov	\$6,909.62	
	Dec	\$6,909.62	
2024			
	Jan	\$6,909.62	
	Feb	\$6,909.62	Total for 12 months of lease payments
	Mar	\$6,909.62	
	Apr	\$6,909.62	
	May	\$6,909.62	
	Jun	\$6,909.62	
	Jul	\$6,969.80	
	Aug	\$7,116.91	
	Sep	\$7,116.91	
	Oct	\$7,116.91	
	Nov	\$7,116.91	
	Dec	\$7,116.91	
2025			
	Jan	\$7,116.91	
	Feb	\$7,116.91	
	Mar	\$7,116.91	
	Apr	\$7,116.91	
	May	\$7,116.91	
	Jun	\$7,116.91	
End of Lease	Jul	\$5,050.71	
		\$186,495.88	15% of Total Payments Remaining
			\$27,974.38

1600 Suite 250

2023			
	Mar		
	Apr		
	May	\$8,549.59	
	Jun	\$8,549.59	
	Jul	\$8,549.59	
	Aug	\$8,549.59	
	Sep	\$8,549.59	
	Oct	\$8,806.08	
	Nov	\$8,806.08	
	Dec	\$8,806.08	
2024			
	Jan	\$8,806.08	
	Feb	\$8,806.08	Total for 12 months of lease payments
	Mar	\$8,806.08	
	Apr	\$8,806.08	
	May	\$8,806.08	
	Jun	\$8,806.08	
	Jul	\$8,806.08	
	Aug	\$8,806.08	
	Sep	\$8,806.08	
	Oct	\$9,070.26	
	Nov	\$9,070.26	
	Dec	\$9,070.26	
2025			
	Jan	\$9,070.26	
	Feb	\$9,070.26	
	Mar	\$9,070.26	
	Apr	\$9,070.26	
	May	\$9,070.26	
	Jun	\$9,070.26	
End of Lease	Jul	\$9,070.26	
		\$239,123.51	15% of Total Payments Remaining
			\$86,778.35
			\$35,868.53



***SOUTHERN CALIFORNIA
REAL ESTATE SERVICES***

Borrego Community Health Foundation
c/o Mikia Wallis
P.O. Box 2369
Borrego Springs, CA 92004

Re: Refund of Security Deposit
1600 Iowa Avenue, Suite 210/220/250 and 1700 Iowa Avenue, Suite 280/290
Riverside, CA 92507

Dear Mikia,

Enclosed you will find a detailed breakdown of items that were taken out of Borrego's security deposit and applied to the claim. The following is a break-down of those items:

Security Deposit	\$ 25,211.82
Remove Data Cabling 1600	\$ -4,021.13
Remove Data Cabling 1700	\$ -1,349.44
<hr/>	
2022 CAM Reconciliations	
1600 #210	\$ 98.36
1600 #220	\$ 249.32
1600 #250	\$ 317.74
1700 #280/290	\$ -5,626.88
Returned/Access Cards 1700	\$ 90.00
Returned/Access Cards 1600	\$ 50.00
Balance of Deposit Applied to Reduce Claim	\$ 15,019.79
<hr/>	