

DISTRICT COURT, DENVER COUNTY, STATE OF COLORADO Denver District Court 1437 Bannock St. Denver, CO 80202	DATE FILED: November 6, 2018 11:55 AM FILING ID: A7AAE532A11DF CASE NUMBER: 2018CV33011
Plaintiff: Gerald Rome, Securities Commissioner for the State of Colorado v. Defendants: Gary Dragul, GDA Real Estate Services, LLC, and GDA Real Estate Management, LLC	<p style="text-align: center;">▲ COURT USE ONLY ▲</p>
Attorneys for Receiver: Patrick D. Vellone, #15284 Michael T. Gilbert, #15009 Rachel A. Sternlieb, #51404 ALLEN VELLONE WOLF HELFRICH & FACTOR P.C. 1600 Stout St., Suite 1100 Denver, Colorado 80202 Phone Number: (303) 534-4499 E-mail: pvellone@allen-vellone.com E-mail: mgilbert@allen-vellone.com E-mail: rsternlieb@allen-vellone.com	Case Number: 2018CV33011 Division/Courtroom: 424
NOTICE OF STIPULATION AND REQUEST FOR CONTINUANCE OF NOVEMBER 9, 2018, ORDER TO SHOW CAUSE HEARING	

Harvey Sender, the duly-appointed receiver (“Receiver”) for Gary Dragul (“Dragul”), GDA Real Estate Services, LLC, GDA Real Estate Management, LLC, and related entities (collectively, “Dragul and the GDA Entities”), hereby notifies the Court he has reached an agreement with respondents Dynasty, LLC (“Dynasty”) and William Walt Pettit (“Pettit”) (jointly, “Respondents”) to continue the Order to Show Cause hearing presently set for November 9, 2018,

at 9:00 a.m., and asks the Court the hearing to a date not earlier than December 10, 2018, and not later than January 4, 2019.

Certification pursuant to C.R.C.P. Rule 121, § 1-15(8)

Counsel for the Receiver has conferred in good faith with counsel for Respondents, who stipulate to the requested relief.

Motion

1. After a purported default on a June 29, 2018, \$1.1 million promissory note executed by two Dragul related entities (Hickory Corners Box 16 A, LLC and Hickory Corners Box 16 B, LLC), Respondents initiated foreclosure proceedings in North Carolina to foreclose on the Hickory Corners shopping center in Hickory, North Carolina (the “Property”). The Property secures the \$1.1 million promissory note, and is property of the Receivership Estate.

2. A foreclosure hearing on the Property was scheduled in the Superior Court of Catawba County in Newton, North Carolina for November 8, 2018.

3. The Receiver filed an Expedited Motion for Order to Show Cause and Request for Forthwith Hearing (the “Motion”) on October 26, 2018, seeking entry of an Order to Show Cause why Respondents should not be held in contempt for violating this Court’s August 30, 2018, Receivership Order.

4. On October 30, 2018, this Court entered its Order to Show Cause directing Respondents to appear before the Court on November 9, 2018 at 9:00 a.m. and show cause why they should not be held in contempt.

5. The Receiver and Respondents (collectively, the “Parties”) have agreed to continue the foreclosure proceedings for at least 60 days and the Order to Show Cause hearing for 40 days,

to allow them time to attempt to negotiate and resolve the present dispute without Court intervention. Specifically:

a. The Receiver agreed to continue the Order to Show Cause hearing date for at least 40 days from the currently set date;

b. Dynasty, LLC agreed to continue the foreclosure proceedings in North Carolina for 60 days from November 8, 2018;

c. The Parties agreed Respondents have not waived any defenses they may have to the Order to Show Cause by their stipulation or otherwise;

d. During the continuation period, the Receiver agreed not to domesticate the Receivership Order in North Carolina or serve Respondents with the Order to Show Cause;

e. During the continuation period, the Receiver agreed to use his best efforts to sell the Property with sufficient funds to provide payment in full of the debt owed to Dynasty;

f. Dynasty agreed to provide the Receiver with the current payoff of the Hickory Corners Box 16A, LLC and Hickory Corners Box 16B, LLC loan, as well as copies of the note, guaranty, and deed of trust on the Property;

g. The Receiver has agreed to dismiss Pettit from the Order to Show Cause proceedings and to substitute the replacement trustee that will be appointed in North Carolina to oversee the foreclosure of the Property in place of Pettit; and

h. Dynasty has agreed to accept service of the Order to Show Cause through its counsel if the parties are not able to resolve their dispute and the Order to Show Cause hearing is necessary.

WHEREFORE, the Receiver asks the Court to enter an Order vacating the November 9, 2018, hearing on the Order to Show Cause and to reset the hearing for a date not earlier than December 10, 2018, and not later than January 4, 2019.

Dated: November 6, 2018.

ALLEN VELLONE WOLF HELFRICH & FACTOR P.C.

By: 
s/ Rachel A. Sternlieb

Patrick D. Vellone

Michael T. Gilbert

Rachel A. Sternlieb

1600 Stout Street, Suite 1100

Denver, Colorado 80202

Tel: (303) 534-4499

E-mail: pvellone@allen-vellone.com

E-mail: mgilbert@allen-vellone.com

E-mail: rsternlieb@allen-vellone.com

ATTORNEYS FOR THE RECEIVER

CERTIFICATE OF SERVICE

I certify that on the November 6, 2018, a true and correct copy of **Notice of Stipulation and Request for Continuance of November 9, 2018 Order to Show Cause Hearing** was filed and served via the Colorado Courts E-Filing system to the following:

Robert W. Finke
Sueanna P. Johnson
Matthew J. Bouillon Mascareñas
Ralph L. Carr Judicial Building
1300 Broadway, 8th Floor
Denver, Colorado 80203
E-mail: robert.finke@coag.gov
sueanna.johnson@coag.gov
matthew.bouillon@coag.gov

***Counsel for Plaintiff, Gerald Rome,
Securities Commissioner***

Deanna Lee Westfall
Weinstein & Riley, P.S.
11101 West 120th Avenue, Suite 280
Broomfield, Colorado 80021
Tel: 303-539-8607
E-mail: DeannaW@w-legal.com

Local Counsel for Dynasty, LLC

Jeffery A. Springer, Esq.
Springer and Steinberg P.C.
1600 Broadway, Suite 1200
Denver, Colorado 80202
E-mail: jspringer@springersteinberg.com

***Counsel for Defendants, Gary Dragul, GDA
Real Estate Services, LLC and GDA Real
Estate Management, LLC***

William Walt Pettit
Hutchens Law Firm
6230 Fairview Road, Suite 315
Charlotte, NC 28210
Tel: 704-362-9255
E-mail: Walt.Pettit@hutchenslawfirm.com

Counsel for Dynasty, LLC and Respondent


s/ Terri M. Novoa
Allen Vellone Wolf Helfrich & Factor P.C.

In accordance with C.R.C.P. 121 § 1-26(7), a printed copy of this document with original signatures is being maintained by the filing party and will be made available for inspection by other parties or the Court upon request.