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MOHAMED HADID and AM FAMILY  
17 FUND, LLC

18 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
19 **COUNTY OF LOS ANGELES, WEST DISTRICT**

21 GIVE BACK, LLC,  
22 Plaintiff,  
23 vs.

24 MOHAMED HADID,  
25 Defendant.

26 MOHAMED HADID and AM FAMILY  
27 FUND LLC,  
28 Cross-Complainants

Case No. 20SMCV01315  
(Assigned for All Purposes to Hon. Elaine  
Mandel, Department P)

**DECLARATION OF MOHAMED  
HADID IN SUPPORT OF MOTION  
FOR TEMPORARY RESTRAINING  
ORDER AND PRELIMINARY  
INJUNCTION**

Hearing Date: April 23, 2021  
Hearing Time: 9:00 am  
Hearing Location: Department P

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vs.  
GIVE BACK, LLC,  
Cross-Defendant.

Action Filed: September 17, 2020  
Trial Date: None Set

**DECLARATION OF MOHAMED HADID**

I, Mohamed Hadid, declare as follows:

1. I am over 18 years of age. I am the principal and sole member of Coldwater Development LLC (“Coldwater”) and of AM Family Fund, LLC a California limited liability company (“AM Family”). AM Family is the 100% owner of Lydda Lud, LLC (“Lydda”). Except as otherwise indicated herein, all facts set forth in this Declaration are based upon my personal knowledge or information supplied to me by employees, counsel, and advisors.

**Loan and Purchase of Property**

2. On or about March 20, 2017, Romspen California Mortgage Limited Partnership, an Ontario limited partnership (“Romspen” or “Original Lender”), made a loan in the original principal amount of \$19,050,898.05 (“Loan”), through a series of advances, to borrowers Coldwater and Lydda (collectively, “Borrowers”). The Loan is documented and evidenced by a Loan Agreement dated March 17, 2017 by and between Original Lender and Borrowers.

3. The Loan is further evidenced by a Promissory Note dated March 17, 2017 for the maximum principal amount of \$25,000,000 executed by Borrowers in favor of Original Lender (“Note”).

1           4.       On March 17, 2017, I signed a written Guaranty for the benefit of the  
 2 Original Lender in the amount of \$25,000,000.

3           5.       In conjunction with the Loan, I also executed, on behalf of myself and AM  
 4 Family, a “Membership Interest Pledge Agreement,” dated as of March 17, 2017, pursuant  
 5 to which I and AM Family pledged our equity interests in Coldwater and Lydda as  
 6 to which I and AM Family pledged our equity interests in Coldwater and Lydda as  
 7 additional security for the Loan and other Secured Obligations (the “Membership Pledge  
 8 Agreements”).

9           6.       The total outstanding principal amount of the loan is \$19,050,898.05, which  
 10 was disbursed to Borrowers between March 17, 2017 and June 14, 2019. The amount and  
 11 dates of advances are summarized in the below table:  
 12

| <b>Date</b> | <b>Amount</b>   |
|-------------|-----------------|
| 3/17/17     | \$15,737,128.51 |
| 7/11/17     | \$442,842.35    |
| 10/3/17     | \$460,108.03    |
| 11/9/17     | \$940,793.42    |
| 12/11/17    | \$398,268.07    |
| 10/5/18     | \$1,054,210.17  |
| 6/14/19     | \$17,547.50     |

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 23           7.       Coldwater and Lydda own six real estate parcels sitting atop a hillside  
 24 adjacent to Franklin Canyon public park in Los Angeles. This land offers one-of-a-kind  
 25 360-degree views of the surrounding areas, including the Pacific Ocean, downtown Los  
 26 Angeles, and Century City, and bears Assessor Parcel Nos.: (i) as for lots owned by  
 27 Coldwater, APNs 4387-021-018 and 4387-021-019 (collectively, the “Coldwater Lots”);  
 28

1 and (ii) as for lots owned by Lydda, APNs 4387-020-001, 4387-020-009, 4387-022-001,  
2 and 4387-022-002 (collectively, the “Lydda Lots,” together with the Coldwater Lots, the  
3 “Properties”).

4  
5 8. The Loan is secured by the Properties.

6 9. The original maturity date of the Note was May 1, 2018 (“Original Maturity  
7 Date”). Pursuant to the provisions of the Note and the Maturity Extension Requirements  
8 set forth in the Note, that Original Maturity Date was extended to May 1, 2019.

9  
10 10. On March 17, 2017, I signed a written Guaranty for the benefit of the  
11 Original Lender in the amount of \$25,000,000.

12 11. On May 1, 2019, I, Borrowers, 901 Strada, LLC (another LLC that I own),  
13 and Original Lender entered into a Forbearance Agreement pursuant to which Original  
14 Lender agreed to temporarily forebear from demanding or collecting payment in full of the  
15 unpaid loan amount and to forebear from exercising its rights and remedies under the Loan  
16 Agreement or other Loan Documents because of the Maturity Default (as defined therein).  
17 The Forbearance Period expired at 5:00 p.m. Eastern Standard Time on May 1, 2020.

18  
19  
20 12. Between August 3, 2018 and February 7, 2020, the Borrowers paid a total of  
21 \$2.3 million to Romspen in a loan paydown payment and interest.

22 **Subterfuge of Alex Von Furstenberg**

23 13. I have known Alex Von Furstenberg (“Alex”) since before 2015, and have  
24 considered him a friend. In early 2020, before COVID hit, I began discussions with Alex  
25 centered on the idea of selling him a portion of the Properties for between \$20 million and  
26 \$30 million. The idea was that this land would be used for the benefit of the general public  
27  
28

1 as a hiking trail and park, a legacy that he and I could leave behind and both be proud of.  
2 Not only was I happy to see some of the Properties go to the public's benefit, but the  
3 \$20M+ cash infusion would provide liquidity to help me with debt and other obligations,  
4 including the Romspen Loan. And Alex knew this. We discussed it.  
5

6 14. Alex lives near the Properties. He told me that he often hiked on the  
7 Properties with his family. According to what he told me at the time, these hikes, and his  
8 nearby home, sparked his desire to preserve a portion of the Properties for public use,  
9 which, as I told him at the time, I thought was a wonderful idea. I still do.  
10

11 15. On February 6, 2020, Alex, and I met for lunch at EATALY in Century City,  
12 CA to discuss his desired \$20 million to \$30 million acquisition. My financial advisor,  
13 Justin Cozart, also attended. Alex's and my mutual friend, Bob Zangrillo, facilitated the  
14 meeting, and texted with both of us about our discussions after the meeting. At this lunch  
15 meeting, Alex and I discussed his purchase of the portion of the Properties that we referred  
16 to as Royalton. I believed that Alex and I reached an agreement where Alex would  
17 purchase Royalton for \$20 million and then preserve it for public use as a hiking trail and  
18 park. Attached hereto as **Exhibit 1** is a true and correct copy of a set of texts between  
19 Alex, me, and Bob Zangrillo, regarding our discussions about the sale of Royalton and the  
20 EATALY meeting.  
21  
22

23 16. Soon after our meeting at EATALY, Alex told me that he was going to  
24 postpone his purchase of Royalton. As the attached texts show, Alex claimed that the  
25 COVID-19 pandemic had him worried and had hit his stock portfolio very hard. He  
26  
27  
28

1 claimed he no longer had the financial wherewithal to make the purchase at this time. In  
2 response, as my texts show, I told Alex he could take as much time as he needed.

3  
4 17. During the meeting at EATALY, I was very appreciative of Alex's  
5 commitment to purchase Royalton, because, as I told him, it would alleviate my liquidity  
6 concerns. Importantly, I also revealed to him in confidence -- based upon his assurances to  
7 me that he was only interested in the project as a partner, friend and investor, certainly not  
8 as an adversary -- that I would soon be unable to make debt service payments to  
9 Romspen. Alex's purchase would enable me to make payments to Romspen and to  
10 refinance the Loan, and I told him that. Unfortunately, I now know that Alex duped me  
11 into revealing these vulnerabilities, then played me to his own financial advantage to my  
12 extreme detriment. Specifically, it now seems obvious to me that Alex took this  
13 information and decided that he would be better served buying the Note for something on  
14 the order of \$20 million as opposed to buying a portion of the Properties for \$20 million.  
15 To his way of thinking, he thought I would soon be in a default position, and then he could  
16 simply foreclose and take the entire project and Properties for himself, rather than just the  
17 portion we had agreed to at the meeting at EATALY.

18  
19  
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21 18. My view of Alex's deception is further supported by the following facts.  
22 During mid- to late- 2020, during the peak of the COVID-19 pandemic, Romspen told my  
23 financial advisor, Justin Cozart, that it had a buyer for the Note. According to Romspen,  
24 however, the buyer was insisting that I submit permits to develop Royalton as a condition  
25 to the sale of the debt. I had no interest in doing any development activity at all on  
26 Royalton or the Properties given the COVID-19 pandemic and work stoppages caused by  
27  
28

1 the pandemic. I preferred to sell Royalton to Alex as we had agreed and to preserve that  
 2 portion of the Properties for public use. I also preferred to delay development of the  
 3 Properties during the pandemic, but because Romspen said the as-yet unidentified buyer  
 4 (who I know now to be Give Back LLC) was insisting that permits be submitted, and I  
 5 could not make the payments on the Note at that time, I submitted the permits to the city as  
 6 requested by Romspen.  
 7

8           19. My beliefs that Alex had double-crossed me were further confirmed when  
 9 Alex told me he had engaged Ronald Richards as his attorney, and that he was directed by  
 10 Mr. Richards not to speak with me. Attached hereto as **Exhibit 2** are true and correct  
 11 copies of text messages between Alex and me regarding his delay in purchasing Royalton  
 12 and his engagement of Mr. Richards.  
 13

14           20. I have now come to realize, and the evidence plainly shows, that Alex has  
 15 been pursuing ownership of the Properties dating back to before 2015. A recent New York  
 16 Times article provides a skewed view of the facts around the dispute, but also features a  
 17 number of telling quotes from Give Back’s counsel and managing member Ron Richards.  
 18 Mr. Richards claims that he is the only person with authority to speak for Give Back. In  
 19 this New York Times article, Mr. Richards made comments about Give Back’s intent to  
 20 stop development on the Properties. He stated his intent to “preserv[] land for hundreds of  
 21 families’ well-being.” Richards stated further that if I do not pay “we own it, and we’ll  
 22 have the right to do whatever we want. And that’s to let the grass grow.” Of course, I can  
 23 now see that Mr. Richards’ statement about not developing the property and letting the  
 24 “grass grow” is false. That is false because Give Back was the very entity insisting that I  
 25  
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1 pull development permits for the project as a condition to buying the Note from Romspen.  
 2 Why would Give Back and Mr. Richards want me to apply for permits to develop the  
 3 project if Give Back LLC planned to simply “let the grass grow”? That makes no sense.  
 4 Attached hereto as **Exhibit 3** is a true and correct copy of the New York Times Article  
 5 dated Feb. 26, 2021 “The Fight For Franklin Canyon.”  
 6

7           21. The article also mentions the court case of the Hastain Trail. That court case,  
 8 which was a long costly battle for me, ultimately vindicated my ownership of the  
 9 Properties free and clear from the easements claimed by the plaintiffs in that case.  
 10 (Supreme Court #BC469573). But Alex tipped his hand about his role in that case before it  
 11 was finally decided. In March of 2015, while the Hastain Trail matter was still pending on  
 12 appeal, Alex confessed to me that it was he, Alex, who had financially backed the  
 13 plaintiffs in that case against me all along. Attached hereto as **Exhibit 4** is a true and  
 14 correct copy of a screenshot of a March 2015 text exchange between Alex and me.  
 15  
 16

**Give Back’s Purchase of the Loan Documents & Foreclosure**

17  
 18           22. I am informed that Give Back alleges that on September 3, 2020, Romspen  
 19 assigned and otherwise transferred to Give Back all its rights, title, interest, and remedies  
 20 in and to the Loan Agreement, Note, and Guaranty.  
 21

22           23. On or about September 22, 2020, Give Back recorded a notice of default,  
 23 followed by a notice of sale recorded on December 24, 2020. A foreclosure sale was  
 24 scheduled for January 20, 2021.  
 25

26           24. Soon after Give Back acquired the Note, pamphlets and notices were posted  
 27 on the Properties disparaging me, claiming that because the permits for development had  
 28



1 been submitted that I did not want to preserve any of the land. These pamphlets were  
 2 intended to turn public sentiment against me and the project I had been working towards  
 3 since 1999. These pamphlets also had the effect of negatively impairing the value of the  
 4 Properties, which are the sole assets of Coldwater and Lydda.  
 5

6 25. I believe that Alex Von Furstenberg is the real party in interest of Give Back  
 7 and that he, through his misleadingly named “Give Back” LLC, plotted to buy the debt,  
 8 then engage in a negative public relations campaign to malign me and any plans to develop  
 9 the Properties with the goal of obtaining the Properties for himself at a steep discount. I  
 10 believe the goal of Give Back, and Alex, is not to get repaid on the Loan or the Note or the  
 11 Guaranty or the Pledge Agreement, like a normal lender; rather, to me it is obvious that  
 12 Alex’s and Give Back’s real goal is to take ownership and control of the entire project and  
 13 leave me with nothing after my two decades of fighting for these Properties.  
 14  
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16 26. On December 20, 2020, I sent an email to Mr. Richards, attorney for Give  
 17 Back, outlining an offer to pay back the outstanding amounts owed to Give Back. Mr.  
 18 Richards responded on December 21, 2020, with a demand for a release of certain tax liens  
 19 and did not otherwise respond to my offers to negotiate a settlement. Attached hereto as  
 20 **Exhibit 5** is a true and correct copy of the emails between Mr. Richards and me dated  
 21 December 20 and 21, 2020.  
 22

23 27. I did not receive a payoff demand in response to my December 20, 2020  
 24 letter. I did not receive any accounting or statement of whatever amount Give Back  
 25 claimed would be needed to pay off the Note in any way. I did not receive a counteroffer  
 26 at all.  
 27  
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**Bankruptcy Case**

1  
2 28. On January 15, 2021, Coldwater and Lydda filed with the United States  
3 Bankruptcy Court for the Central District of California (Los Angeles Division) (the  
4 “Bankruptcy Court”) voluntary petitions for relief under the United States Bankruptcy  
5 Code, which cases are jointly administered, bankruptcy case number. 2:21-bk-10335-BB  
6 (the “Bankruptcy Case”). Attached hereto as **Exhibit 17** is a true and correct copy of the  
7 bankruptcy petitions.  
8

9 29. On February 3, 2021, Give Back filed with the Bankruptcy Court a Motion  
10 for an Order Designating Chapter 11 Cases as Single Asset Real Estate Cases Pursuant to  
11 11 U.S.C. § 363(d)(3) (the “SAR Motion”), to require Coldwater and Lydda to file a plan  
12 of reorganization or pay Give Back interest at the non-default rate within days of the  
13 bankruptcy filing.  
14

15 30. On February 26, 2021, the Bankruptcy Court entered an order denying the  
16 SAR Motion. Attached hereto as **Exhibit 6** is a true and correct copy of the Order denying  
17 the SAR Motion.  
18

19 31. On March 9, 2021, Give Back filed with the Bankruptcy Court a motion for  
20 relief from the automatic stay (the “Lift Stay Motion”).  
21

22 32. On April 1, 2021, the Bankruptcy Court entered an order denying the Lift  
23 Stay Motion subject to certain adequate protection payments set forth in the order.  
24 Attached hereto as **Exhibit 7** is a true and correct copy of the Order Denying the Lift Stay  
25 Motion.  
26

27 33. It is my understanding from the bankruptcy court hearing on the Lift Stay  
28 Motion that the Bankruptcy Court determined that Give Back should not be permitted to

1 foreclose on the Properties at this time so as to allow Coldwater and Lydda adequate the  
2 opportunity to refinance the Loan and debts owing to Give Back.

3           34. In their opposition to the Lift Stay Motion, Coldwater and Lydda asserted  
4 that Give Back was adequately protected because the value of the Coldwater Lots and the  
5 Lydda Lots are valued at \$130,000,000, in their current condition (undeveloped),  
6 according to a recent independent appraisal. Attached hereto as **Exhibit 8** is a true and  
7 correct copy of the appraisal of the Properties that was presented to the Bankruptcy Court,  
8 valuing them at \$131,000,000.

9           35. Give Back filed its own appraisal valuing the Coldwater Lots and the Lydda  
10 Lots at about \$25,000,000.

11           36. By denying the Lift Stay Motion, the Bankruptcy Court must have found that  
12 the value of the Coldwater Lots and the Lydda Lots exceeded the amount of Give Back's  
13 asserted claims and that Give Back would be adequately protected provided Coldwater and  
14 Lydda made certain payments during the Bankruptcy Case.

15           37. The Bankruptcy Court ordered that Coldwater and Lydda pay to Give Back's  
16 counsel no later than April 9, 2021 the amount of \$55,261.26 for payment of the real  
17 property taxes (the "April Tax Payment").

18           38. On April 7, 2021, I caused Coldwater and Lydda to make the April Tax  
19 Payment by depositing the amount into Give Back's attorneys' account. Attached hereto  
20 as **Exhibit 9** is a true and correct Wells Fargo transaction receipt evidencing the payment  
21 of the April Tax Payment.

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1           39.     The Bankruptcy Court also ordered that Coldwater and Lydda make no later  
2 than April 15, 2021, an adequate protection payment in the amount of \$22,972.26 to Give  
3 Back’s counsel (the “First Adequate Protection Payment”).  
4

5           40.     On April 15, 2021, I caused Coldwater and Lydda to make the First  
6 Adequate Protection Payment by depositing the amount into Give Back’s attorneys’  
7 account. Attached hereto as **Exhibit 10** is a true and correct copy of the Wells Fargo  
8 transaction evidencing payment of the First Adequate Protection Payment.  
9

10           41.     The Bankruptcy Court also ordered that Coldwater and Lydda make monthly  
11 adequate protection payments in the amount of \$7,657.42 no later than the 15<sup>th</sup> of each  
12 month beginning in May 2021 (the “Monthly Adequate Protection Payments”).  
13

14           42.     I expect that Coldwater and Lydda will make the Monthly Adequate  
15 Protection Payments as ordered by the Bankruptcy Court.  
16

17           43.     The Bankruptcy Court also set a continued Hearing on the Lift Stay Motion  
18 for May 11, 2021, as a status conference on the Debtors’ payment of the April Tax  
19 Payment, the First Adequate Protection Payment, and the Monthly Adequate Protection  
20 Payments.  
21

22           44.     On February 25, 2021, my counsel made a settlement offer to Ronald  
23 Richards, the representative of Give Back, but in response Mr. Richards demanded \$30  
24 million. He provided no accounting that supported the amount he demanded. He simply  
25 said I had to pay \$30 million or there would be no deal. Attached hereto as **Exhibit 11** is a  
26 true and correct copy of an email dated February 25, 2021 between Richards, attorney for  
27 Give Back, and Raymond Bekeris, my attorney at the time.  
28

1           45.     On March 16, 2021, I offered to pay and provided Give Back with  
2 verification of funds sufficient to pay the amount I consider to be “undisputed”  
3 (\$23,500,000). Give Back rejected this offer too. Give Back refused to accept any  
4 payment less than the entire amount it claims is due without providing any accounting at  
5 all. Attached hereto as **Exhibit 12** is a true and correct copy of email correspondence on  
6 March 16, 2021 between R. Richards and R. Bekeris.

8           46.     I want to, have offered to, and can repay the amount owed under the Loan  
9 and Guaranty; however, I currently cannot obtain financing to repay the amount due until  
10 the parties agree on the legally owing amount due. If the parties cannot agree to an  
11 amount, then I am willing to – and feel like I must – wait for the Bankruptcy Court or this  
12 Court to determine what the correct amount due is. At that time I will make arrangements  
13 to secure the financing needed to pay that amount.

14           47.     I believe that Give Back has refused to provide an accounting, refused to  
15 respond to my offers, and refused to negotiate in good faith because its intention is to  
16 obtain the ownership of the Properties, not to get repaid. Give Back specifically stated so  
17 in its Lift Stay Motion when it plainly stated its intent: “Give Back intends to donate the  
18 Properties to be used in perpetuity by the public for nature walks, hiking trails, and other  
19 similar public uses.” See Lift Stay Motion at p. 12; 18-20.

20           48.     Give Back further demonstrated its intent not to accept payment when it  
21 stated in the Lift Stay Motion: “Give Back truly is doing a good deed by attempting to save  
22 these hillsides from a reckless developer whose track record is one disastrous project after  
23 another. There has to be a moral compass somewhere, and Hadid cannot use the  
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1 Bankruptcy Code to destroy this precious remaining green space in the hillsides of  
2 Franklin Canyon.” Attached hereto as **Exhibit 13** is a true and correct copy of Give  
3 Back’s Lift Stay Motion, p. 12; 20-23.  
4

5 **Improper Notice of the UCC Foreclosure Sale**

6 49. I am informed that on April 5, 2021, Give Back and Richards published two  
7 Notices of a UCC Article 9 Disposition of Collateral in the Distressed Asset Central, Daily  
8 Journal and BH Weekly (the “UCC Notices”), and sent me copies of the UCC Notices by  
9 U.S. mail to 9650 Royalton Drive, Beverly Hills, CA, an uninhabited location.  
10

11 50. I did not personally receive the UCC Notices until April 11, 2021, at the  
12 earliest, because they were sent to the Royalton Drive address, where I do not live and  
13 which is uninhabited. I, like many others during the COVID-19 pandemic, do not travel  
14 daily to other properties to determine if mail has been delivered to those locations. I  
15 discovered the UCC Notices by fortunate accident when a landscaper at the Royalton  
16 Drive address noticed the mail attached to the gate. The landscaper then brought the UCC  
17 Notices to my attention on or about April 14, 2021.  
18

19 51. The UCC Notices were also not sent to the attorneys representing me in this  
20 case, or the attorneys representing Coldwater and Lydda in the Bankruptcy Case, even  
21 though Give Back has appeared and participated in this case and the Bankruptcy Case.  
22 Mr. Bekeris did manage to acquire the Notices himself, and he forwarded them to me on  
23 April 11, 2021.  
24

25 52. I believe that the UCC Notices were sent to me in a manner that was  
26 intended to make sure I would not receive them, or not receive them promptly.  
27

28 **The UCC Notices Do Not Identify the Properties Valued at \$131,000,000.**

1           53. One notice purports to sell my 100% membership interest in Coldwater and  
2 the other purports to sell AM Family Fund’s 100% membership interest in Lydda.

3           54. The UCC Notices state that the sale will take place via Zoom on April 29,  
4 2021 at 11 a.m. pacific time for Coldwater’s membership interests and 12 p.m. for Lydda’s  
5 membership interests.  
6

7           55. The UCC Notices describe the reason for the foreclosure as Give Back is  
8 enforcing its rights and remedies as the secured party under the Membership Interest  
9 Pledge Agreement, dated March 17, 2017, between me and Romspen and my March 17,  
10 2017 Guaranty.  
11

12           56. The UCC Notices describe the collateral of both Coldwater and Lydda in the  
13 same way:  
14

15           “(a) ‘Collateral’ means Pledgor’s interest in the Pledged Interests, the  
16 Future Rights, and the Proceeds collectively; (b) ‘Pledged Interests’ means  
17 (i) all Equity Interests owned by Pledgor, (ii) the certificated or instruments  
18 representing such Equity interests, if any (iii) all rights of Pledgor to vote or  
19 otherwise control Coldwater Development LLC [or Lydda], and (iv) all  
20 rights of Pledgor as a member of Coldwater Development LLC; (c) ‘Equity  
21 Interests’ means all securities, share, units, options, warrants, interests,  
22 participations, or other equivalents (regardless of how designated) of  
23 Coldwater Development LLC [and Lydda]; (d) ‘Future Rights’ means: (x)  
24 all Equity Interests (other than Pledged Interests) owned by Pledgor, and all  
25 securities convertible or exchangeable into, and all warrants, options, or  
26 other rights to purchase, Equity Interests owned by Pledgor; and (y) the  
27 certificates or instruments representing such Equity Interests, convertibly or  
28 exchangeable securities, warrants, and other rights and all dividends, cash,

1 options, warrants, rights, instruments, and other property or proceeds from  
 2 time to time received, receivable, or otherwise distributed in respect of or in  
 3 exchange for any or all of such Equity Interests; (e) ‘Proceeds’ means all  
 4 proceeds (included proceeds of proceeds) of the Pledged Interests and  
 5 Future Rights including all: (I) rights, benefits, distributions, premiums,  
 6 profits, dividends, interest, cash, instruments, documents of title, accounts,  
 7 contract rights, inventory, equipment, general intangibles, payment  
 8 intangibles, deposit accounts, chattel paper, and other property from time to  
 9 time received, receivable, or otherwise distributed in respect to or in  
 10 exchange for, or an a replacement of or an substitution for, any of the  
 11 Pledged Interests, Future Rights, or proceeds thereof (including cash,  
 12 Equity Interests, or other securities or instruments issued after any  
 13 recapitalization, readjustment, reclassification, merger or consolidation with  
 14 respect to Pledgor and any security entitlements as defined in Section 8-  
 15 102(a)(17) of the UCC with respect there to); (II) ‘proceeds,’ as such term  
 16 is defined in Section 9-102(a)(64) of the UCC; (III) proceeds of any  
 17 insurance, indemnity, warranty, or guaranty (including guaranties of  
 18 delivery) payable from time to time with respect to any of the Pledged  
 19 Interests, Future Rights, or proceeds thereof; (IV) payments (in any form  
 20 whatsoever) made or due and payable to Pledgor from time to time in  
 21 connection with any requisition, confiscation, condemnation, seizure or  
 22 forfeiture of all or any part of the Pledged Interests, Future Rights, or  
 23 proceeds thereof; and (V) other amounts from time to time pair or payable  
 24 under or in connection with any of the Pledged Interests, Future Rights, or  
 25 proceeds thereof.”

26 57. The UCC Notices also state: “Pledgor [Hadid and AM Family Fund] is  
 27 entitled to, *inter alia*, an accounting of the unpaid indebtedness secured by the Collateral  
 28



1 Secured Party intends to sell at the Public Sale. Pledgor may request an accounting  
2 pursuant to the requirements and provisions of California Commercial Code, section 9210,  
3 directed to counsel for Secured Party.”  
4

5 58. The UCC Notices expressly do not mention or refer to the Properties in any  
6 way. To the contrary, no one can determine that the Properties, valued at \$131,000,000,  
7 are the sole assets of Coldwater and Lydda and the true subject of the sale. As a result,  
8 there is no marketing of the only assets of any value – the Properties.  
9

10 **Give Back Is Not Fairly Marketing the Unique Underlying Properties**

11 59. Coldwater and Lydda’s sole assets are the Properties, which have an  
12 appraised value of \$131,000,000. Give Back submitted a \$26,000,000 appraisal of the  
13 Properties to the Bankruptcy Court, which the court rejected. The Bankruptcy Court found  
14 that the value of the Properties sufficiently exceeded the amount of the debt secured by the  
15 Properties such that Give Back was over-secured and adequately protected, and it would  
16 not be permitted to foreclose on the Properties while Coldwater and Lydda sought  
17 refinancing or buyers of some of the Coldwater and Lydda Lots.  
18

19 60. Because Coldwater and Lydda’s sole assets are the Properties, the value of  
20 its membership interests is the same as the value of the Properties. By failing to disclose  
21 that the Properties are owned by Coldwater and Lydda, no person that received the UCC  
22 Notice could possibly know or suspect the incredibly valuable assets that are being sold.  
23

24 61. The period between the date of the UCC Notices, which I am informed and  
25 believe were only published once, and the date of the sale, is only twenty-four (24) days.  
26 Even if the Properties were adequately disclosed and described, this is not enough time for  
27 a potential buyer to perform due diligence on the Properties and secure funds exceeding  
28

1 \$25 million to participate in the foreclosure. I also do not believe, based on my many  
 2 years' experience with the Properties, that the marketing efforts reflected in the UCC  
 3 Notices, including selling the assets via Zoom, are reasonable marketing efforts truly  
 4 designed to identify interested buyers and maximize the chances of generating fair market  
 5 bids. It is simply not enough time, and too low a profile sales vehicle, to market assets  
 6 with such a large value and with such unique characteristics like the Properties.  
 7

8 **Give Back's Interference with Refinancing of Debt and Marketing of the**  
 9 **Properties**  
 10

11 62. Since the filing of the Bankruptcy Case on January 15, 2021, I have received  
 12 a proposed term sheet from a private financial institution and a commitment letter from  
 13 another private lender. Each of the proposals would be sufficient to pay off the undisputed  
 14 amount owed to Give Back, and to set aside the disputed amount to be paid only upon  
 15 court order or agreement between the parties.  
 16

17 63. Specifically, I received a commitment to lend \$26 million dollars with  
 18 limited conditions, including but not limited to clear title on the Properties, from the MTS  
 19 Lydda Trust. Attached hereto as **Exhibit 14** is a true and correct copy of the January 10,  
 20 2021 letter from Michael Munayyer, trustee of the MTS Lydda Trust evidencing a \$26  
 21 million loan commitment.  
 22

23 64. In conjunction with the MTS Lydda Trust loan commitment, Mr. Munayyer  
 24 provided proof of \$26 million dollars in available funds from Merrill Lynch and First  
 25 Republic Bank. Attached hereto as **Exhibit 15** is a true and correct copy of the March 15,  
 26 2021 letter from Merrill Lynch evidencing that Mr. Munayyer has \$20 million in available  
 27  
 28

1 funds. Attached hereto as **Exhibit 16** is a true and correct copy of the March 15, 2021  
2 letter from First Republic Bank that Mr. Munayyer has \$6 million in available funds.

3           65.     However, because Give Back has failed and refused to provide an accounting  
4 of the amounts it claims are owed under the Loan, has asserted different amounts that are  
5 owed, and that some of the calculations are in dispute, including but not limited to, the  
6 interest rate, whether it is simple or compound interest, the right to default interest and the  
7 right to late fees, no potential lender will commit to lending because the amount to pay off  
8 the Give Back Loan and release the liens is a moving target and large portions of it are in  
9 dispute.  
10

11           66.     I have also been in discussion with several parties, who are interested in  
12 purchasing some or all the lots. Considering the strong interest in purchasing the lots and  
13 Give Back's desire to have the lots, I have been evaluating the sale of some or all the lots.  
14 I have reached out to certain real estate brokers with experience in selling high value real  
15

16  
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19           ///  
20           ///  
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1 estate to discuss listing the lots for sale and hoped to have a broker employed by now such  
2 that the marketing can begin in parallel with my ongoing efforts to refinance the secured  
3 loans on favorable terms.  
4

5 67. However, Give Back’s actions in the Bankruptcy Case, its posting of the  
6 UCC Foreclosure Notices, and its public efforts to disparage me and the project in the New  
7 York Times and elsewhere, have resulted in real estate brokers being reluctant to engage in  
8 marketing of the Properties until the court resolves the pending disputes.  
9

10 I declare under penalty of perjury under the laws of the State of California that the  
11 foregoing is true and correct.

12 Executed on this 22nd day of April, 2021, at Los Angeles, CA.

13 DocuSigned by:  
14 *Mohamed Hadid*  
15 18850A902D33411...

16 Mohamed Hadid  
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THEODORA TO ORINGHER  
COURT REPORTER & LAW