

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS

UNITED STATES OF AMERICA,)	
)	Civil No. 1:14-CV-358
Plaintiff,)	
)	
v.)	
)	Hon. Joan H. Lefkow
FRANCES J. CROSS,)	
INTERVIVOS TRUST, AUSTIN D. CROSS,)	
INTERVIVOS TRUST,)	Magistrate Judge Jeffrey Cole
KHALIL ABDUL-RAHIM, individually)	
as trustee of the FRANCES J. CROSS,)	
INTERVIVOS TRUST and the)	
AUSTIN D. CROSS INTERVIVOS)	
TRUST and BELMONT VILLAGE OF OAK)	
PARK,)	
)	
Defendants.)	
)	

ORDER OF SALE

The Court entered a final judgment in this action on July 14, 2014, ordering that the real property located at Apt. 401, 3200 N. Lake Shore Drive, Chicago, IL (the "Property"), be sold and proceeds distributed, in part, to the United States and applied to the defendant Frances J. Cross's, now deceased, (the "taxpayer"), federal tax liability for the 2007 and 2008 tax years. The taxpayer resided in the property until shortly before her death. Prior to the taxpayer's death, she entrusted her financial affairs to Khalil Abdul-Rahim ("Rahim"). Rahim is the taxpayer's son and current trustee of the defendants Austin D. Cross Intervivos Trust (the "Austin Trust") and the Frances J. Cross Intervivos Trust (the "Frances Trust").

The Court now **ORDERS** that the Property be sold pursuant to 26 U.S.C. § 7403. The Property was transferred to the taxpayer, by quitclaim deed, dated April 12, 1991, and recorded

soon after on April 23, 1991, in the Office of the Recorder of Cook County, Chicago Illinois, document number 91187734. It is legally described as follows:

Parcel 1:

Unit 401 as delineated on Survey of the following described parcel of real estate (hereinafter referred to as parcel): That part of original Lots 27 and 28 in Pine Grove, a subdivision of fractional section 21, Township 40 North, Range 14 East of the third Principal Meridian, In cook County, Illinois, Bounded and described as follows: to Wit: Beginning at a point in the South Line of Melrose Street 148 Feet 6.5 inches West of the Intersection of the South Line of Melrose Street and the West Line of Sheridan Road; Thence South 101 Feet 6.5 inches Along a Line Parallel with the West Line of Lot 27 in Pine Grove Aforesaid and 1098 Feet 7.5 inches East of the East Line of Evanston Avenue: Thence East 9 Feet More or Less To a Point 139 Feet 7 West of and Parallel to the West Line of Sheridan Road: Thence South on Said Line to A Point in the North Line of Belmont Avenue (being a line 33 Feet North of the South Line of Original Lot 28 In Pine Grove) 139 Feet 7 Inches West of the West Line of Sheridan Road: Thence East Along the North Line of Belmont Avenue 139 Feet 7 Inches to the West Line of Sheridan Road: Thence North Along the West Line of Sheridan Road 331 Feet 1 inch to the South Line of Melrose Street: Thence West Along the South Line of Melrose Street 148 Feet 6.5 inches to the Point of Beginning in Cook County, Illinois, Together with the Buildings improvements located thereon, In Cook County, Illinois which survey is attached as Exhibit A to Declaration of Condominium ownership for Harbor House Condominium Association, made by La Salle National Bank, National Banking Association, as Trustee under Trust Agreement dated February 20, 1976 and known as Trust number 50400 and Recorded in the Office of the Recorder of Deeds of Cook County, Illinois as Document Number 23481866 Together with An undivided .36D per cent interest in said Parcel (Excepting From Said Parcel All the Property and Space comprising All the Units Thereof As Defined and Set Forth in Said Declaration and Survey) in Cook County Illinois

Parcel 2:

Easements Appurtenant To Parcel 1 as Created By a Document Dated September 17, 1951 and Recorded September 26, 1951 as Document 15178910 and as Amended by an Agreement Recorded July 19, 1967 as Document 20201519, For Ingress and Egress.

Accordingly, it is hereby **ORDERED** as follows:

1. The Internal Revenue Service Property Appraisal and Liquidation Specialists (“PALS”), is authorized to offer for public sale and to sell the Property.
2. The terms and conditions of the sale are as follows:
 - a. The sale of the Property shall be free and clear of the interests of all parties to this action;
 - b. The sale shall be subject to building lines, if established, all laws, ordinances, and governmental regulations (including building and zoning ordinances) affecting the Property, and easements and restrictions of record, if any;
 - c. The sale shall be held either at the courthouse of the county or city in which the Property is located or on the Property’s premises;
 - d. PALS shall announce the date and time for sale;
 - e. Notice of the sale shall be published once a week for at least four consecutive weeks before the sale in at least one newspaper regularly issued and of general circulation in Cook County, IL, and, at the discretion of PALS, by any other notice PALS deems appropriate. The notice shall contain an adequate description of the property, but need not contain the full legal description, and shall contain the terms and conditions of sale set forth in this Order of Sale;
 - f. PALS shall set the minimum bid. If the minimum bid is not met or exceeded, the PALS may, without further permission of this Court, and under the terms and conditions of this order of sale, hold a new public sale if necessary, and reduce the minimum bid;
 - g. At the time of the sale, successful bidder(s) shall deposit with PALS, by money order or by certified or cashier’s check payable to the Clerk of the United States District Court for the Northern District of Illinois, a deposit in an amount between five (5) and twenty (20)

percent of the minimum bid as specified by PALS in the published notice of sale. Before being permitted to bid at the sale, potential bidders shall display to PALS proof that they are able to comply with this requirement. No bids will be accepted from any person(s) who have not presented proof that, if they are successful bidder(s), they can make the deposit required by this order of sale;

h. The successful bidder(s) shall pay the balance of the purchase price for the Property within forty-five (45) days following the date of the sale. The certified or cashier's check payable to the United States District Court for the Northern District of Illinois shall be given to PALS who will deposit the funds with the Clerk of this Court. If the bidder fails to fulfill this requirement, the deposit shall be forfeited and shall be applied to cover the expenses of the sale, with any amount remaining to be applied to the federal tax liabilities of Cross at issue in this case. The Clerk shall distribute the deposit as directed by PALS by check made payable to the "U.S. Department of Treasury" or as otherwise directed by the United States. The Property shall be again offered for sale under the terms and conditions of this order of sale or, in the alternative, sold to the second highest bidder;

i. The Clerk of the District Court is directed to accept the deposit and proceeds of the sale and deposit them into the Court's registry for distribution pursuant to further order of this Court;

j. The sale of the Property shall be subject to confirmation by this Court. On confirmation of the sale, the Internal Revenue Service shall execute and deliver a deed conveying the Property to the purchaser. On confirmation of the sale, all interests in, liens against, or claims to the Property that are held or asserted by all parties to this action are discharged and extinguished;

k. When this Court confirms the sale, the Recording Official of Cook County, Illinois shall cause the transfer of the Property to be reflected upon that county's register of title. The successful bidder at the sale shall pay, in addition to the amount of the bid, any documentary stamps and Clerk's registry fees as provided by law;

l. The sale of the Property is ordered pursuant to 26 U.S.C. § 7403 and is made without any right of redemption.

3. Until the Property is sold, Rahim (or the person residing in the Property) shall take all reasonable steps necessary to preserve the Property (including all buildings, improvements, fixtures, and appurtenances on the property) in its current condition including, without limitation, maintaining a fire and casualty insurance policy on the Property. Rahim, nor any other person or entity on his behalf, shall neither commit waste against the Property nor cause nor permit anyone else to do so. Rahim, nor any person or entity on his behalf, shall neither do anything that tends to reduce the value or marketability of the Property nor cause or permit anyone else to do so. The defendants shall not record any instruments, publish any notice, or take any other action (such as running newspaper advertisements, posting signs, or making internet postings) that may directly or indirectly tend to adversely affect the value of the Property or that may tend to deter or discourage potential bidders from participating in the public auction, nor shall they cause or permit anyone else to do so.

4. All persons occupying the Property shall vacate the property within 30 days of the date of this Order, each taking with them his or her personal property (but leaving all improvements, buildings, fixtures, and appurtenances to the property). If any person fails or refuses to vacate the Property by the date specified in this Order, the PALS is authorized to coordinate with the United States Marshals Service to take all actions that are reasonably necessary to have those

persons ejected. The United States Marshals Service is authorized and directed to take any and all necessary actions, including but not limited to the use of reasonable force, to enter and remain on the premises, which includes, but is not limited to, the land, buildings, vehicles, and any other structures located thereon, for the purpose of executing this Order. The United States Marshals Service is further authorized and directed to arrest or evict from the premises any persons who obstruct, attempt to obstruct, or interfere or attempt to interfere, in any way with this Order.

5. Any personal property remaining on the Property 30 days after the date of this Order is deemed forfeited and abandoned, and PALS is authorized to dispose of it in any manner they see fit, including sale, in which case the proceeds of the sale are to be applied first to the expense of sale and the balance to be paid to the Court for further distribution. Checks for the purchase of personal property shall be made out to the Clerk of District Court for the Northern District of Illinois, and the Clerk is directed to accept these checks and deposit them into the Court's registry for distribution pursuant to further Order of this Court.

6. No later than two business days after vacating the Property pursuant to the deadline set forth in paragraph 4 above, Rahim or an agent thereof shall notify counsel for the United States of a forwarding address where they can be reached. Notification shall be made by contacting the paralegal for the United States, Kunmi Ageh, at 202-616-3884.

7. The United States has an interest of \$227,602.97, plus statutory interest and additions from and after December 31, 2012.

8. Pending the sale of the Property and until the deed to the Property is delivered to the successful bidder, PALS is authorized to have free access to the premises in order to take any and all actions necessary to preserve the Property, including, but not limited to, retaining a

locksmith or other person to change or install locks or other security devices on any part of the property.

9. After the Court confirms the sale, absent any showing to the contrary, the sale proceeds deposited with the Clerk of this Court shall be distributed in the following order of priority:

- a. First, to United States Treasury, for the expenses of the sale, including any expenses incurred to secure or maintain the property pending sale and confirmation by the Court;
- b. Second, to pay for all other costs and expenses of sale, including title insurance;
- c. Third, to Cook County, IL, or other local taxing authority, for real property taxes and other local assessments due and owing, if any as permitted by 26 U.S.C. § 6323(b)(6);
- d. Fourth, to the plaintiff the United States of America, for Cross's unpaid Internal Revenue taxes, penalties, and interest in the amount of \$227,602.97, plus statutory interest and additions from and after December 31, 2012, resulted from unpaid federal income taxes for tax years 2007 and 2008, until fully paid;
- e. Sixth, any further remaining sale proceeds shall be held in the Court's registry pending further Order from the Court.

SO ORDERED, ADJUDGED, AND DECREED.

Signed this 18th day of May, 2016


Hon. JOAN H. LEEKOW
United States District Court
Judge for the Northern District of
Illinois