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Counsel for Philip L. Hart

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF IDAHO

UNITED STATES OF AMERICA,	)	
	)	Case No. CV11-513-N-EJL
Plaintiff,	)	
	)	
vs.	)	Motion Philip L. Hart
	)	to Extend Time for Payment
PHILP L. HART, et al	)	of Balance of Sale Price
	)	
Defendants.	)	

**MOTION OF PHILIP L. HART TO EXTEND TIME FOR  
PAYMENT OF BALANCE OF SALE PRICE**

Now comes Defendant Philip L. Hart, through counsel, and moves the Court for an order to extending the time for 45 days, or December 7, 2015 since the 5<sup>th</sup> falls on a week-end, in order to allow sufficient time to complete the paper work needed to pay

the balance of the price of the sale that occurred on October 1, 2015. Support for motion this is set forth in the following Memorandum.

**MEMORANDUM**

On October 27, 2011 the United States filed a Complaint alleging that it has certain tax assessments against Defendant Hart and that the suit was to reduce to judgment said assessments and to foreclose on certain alleged deferral tax liens on a parcel of real property in Kootenai County, Idaho, which is currently recorded under the name of Sarah Elizabeth Hart Trust. The legal process was completed and the Court ordered the sale of the property. See Doc. #139, Order of Sale of Real Property Located at 4430 E. Sarah Loop, Athol, Idaho.

The Order was a result of a settlement between Hart and United States in which it was agreed that Hart may purchase the property at the sale, see ¶(3)i of the Order. Also as part of the Order the balance of the purchase price was to be paid to the IRS PALS within 21 days after the bid is accepted, by a certified or cashier's check payable to the United State District Court for the District of Idaho, see ¶(3)h.

The sale occurred on October 1, 2015. The IRS acknowledged the receipt of \$23,260.00 on the same day. See Exhibit A. Thus, the balance was to be paid by October 22, 2015.

Hart is requesting an extension of time because the time limit of 21 days as stated in the Order was an unrealistic time frame in light of the complications in this case. Hart has secured financing through Loan Star Mortgage. But, the mortgage company requires title insurance. The requirements for obtaining the title insurance involve 1.) making sure all previous transfers have been properly dealt with; 2.) getting approval from the IRS in the form of subordinating the liens to the mortgage company; 3.) getting a confirmation from the court; and 4.) a verification that the

property is not a part of Hart's bankruptcy estate, before the title company will issue the insurance.

Progress along these lines have been made, including the understanding that Loan Star Mortgage is willing to place the required funds in an escrow account pending the outcome of the title insurance. The title insurance company requires time to complete the unusual paper work because it is Hart that is purchasing the property instead of a disinterested party. The title insurance company has indicated that it would not have been able to meet the 21 day deadline precisely because Hart is the person purchasing the property.

Counsel for Hart has spoken with the attorney for the United States, Yeal Bortnick, about the situation on October 20, 2015 and October 22, 2015. She indicated that she will not oppose or approve the motion until she has seen the filed motion.

Hart has shown that he has financing and that the mortgage company is willing to place the funds into an escrow account pending the title insurance. Hart has also shown that the 21 deadline cannot be met by the title insurance company because of the unusual nature of the case. Accordingly, Hart respectfully requests the Court to extend the time for paying the balance of the purchase price to December 7, 2015.

Hart also states that because the deadline is on the 22<sup>nd</sup> this motion is an emergency motion that needs to be addressed immediately. Hart was not aware of the problems until informed of them at the beginning of this week and negotiations with the IRS and the United States did not resolve the problem as of the 22<sup>nd</sup>.

Dated this 22<sup>nd</sup> day of October, 2015.

Respectfully Submitted,

/s/ Charles E. McFarland  
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**CERTIFICATE OF SERVICE**

The undersigned does hereby state that I filed the above Motion to Extend with the Clerk of Courts the Court's MC/ECF electronic filing system on October 22, 2015.

Dated October 22, 2015.

/s/ Charles E. McFarland  
Charles E. McFarland



DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE  
Washington, DC 20224

SMALL BUSINESS / SELF-EMPLOYED DIVISION

Date: October 1, 2015

**RECEIPT FOR DEPOSIT**

On October 1, 2015, the property identified as commonly known as 4430 E Sarah Loop, Athol, ID by Notice of Judicial Sale, was sold at public auction under an order for foreclosure of Federal tax Liens and order of sale of real property pursuant to The *United States v. Philip L. Hart, et. al.* Civil No. 2:11-cv-000513-EJL.

The above property was sold to you as the highest bidder for \$ 226,000.

This is a receipt for the deposit of \$ 23,260 for the purchase of this property as received by Mary Smith, Property Appraisal and Liquidation Specialist for the Internal Revenue Service, Employee No. 95-08376.

The balance of the purchase price, \$ 202,740, must be at Internal Revenue Service, Attn: M. Smith 500 W 12<sup>th</sup> Street, Vancouver, WA 98660, (951) 201-6919, on October 22, 2015. The payment must be made by Certified or Cashiers Check made payable to the U.S. District Court for the District of (state). If the purchaser fails to fulfill this requirement, the deposit shall be forfeited.

A deed will be issued upon final payment and sale confirmation by the court.

Purchaser

Date

10/1/15

PALS

Mary Smith  
(95-08376)