
WHY A PROFESSIONAL RECEIVER

Receivership is an unbiased third party appointment by a court to preserve the asset(s) of an individual or organization and ensure the operations are managed with the interest of the creditors in mind. An individual, organization, creditor or court may determine that having an independent receiver manage the affairs of a troubled entity is in their best interest and may seek out approval to appoint a receiver for:

- To take possession and control of real property in a foreclosure action where the real property is in danger of being lost, removed or materially damaged or where the mortgage is in breach and there is no equity in the property.
- To collect rent under an assignment of rents provision while a foreclosure is pending or to collect and disburse rents during the redemption period.
- To take control of any business and implement a court enforced turnaround. Thus, creating greater collateral value and higher return to creditors. This includes accurate, detailed and regular reporting to all parties.
- To take possession and repair real property subject to Health and Safety code violations.
- To control, operate and wind up a corporation where the corporation is insolvent, has been dissolved, or is in imminent danger of insolvency, or has forfeited its corporate rights.
- To control assets during an action between partners, family or others jointly owning or having an interest in any property or business.
- To liquidate assets arising from partnership disputes or actions in partition.
- To execute upon the interest of a partner in a partnership under a charging order.
- To take possession and preserve assets pending resolution of a family law proceeding / marital dissolution.
- To enforce judgments.
- To vacate a fraudulent transfers in an effort to hide assets from creditors.
- To subject any property or fund to the creditor's claim.
- To collect receivables.
- To dispose of property after a judgment, or to preserve it during the pendency of an appeal.
- To take possession and control of a business pursuant to an action by a governmental agency.

As an independent third party individual appointed by the Court, the Receiver temporarily assumes the role of owner and thereby receives the rent, pays the operating and other expenses and performs such other functions as the Court instructs or as may be subsequently approved by the Court.

Monthly financial reports are submitted to the Court and the litigant parties and periodic narrative reports are provided. Special requests for the Court's and litigant parties' approval are made when necessary, i.e. capital expenditures, lease cancellations, etc. At the conclusion of the Receivership, a final accounting is submitted to the Court and the litigant parties for approval. A motion is filed with the Court to terminate the Receivership and the Court issues such an Order.