

TRINITAS REMAINS IN LIMBO

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SAN ANDREAS - The fate of the bankrupt and foreclosed Trinitas golf course near Wallace remained in limbo Friday after a bank delayed a foreclosure auction for the remaining 120-acre portion of the course.

Community Bank of San Joaquin already owns a 160-acre chunk of the course after there were no other bidders at a foreclosure auction held March 2.

The 280-acre golf course has faced years of regulatory and legal problems. Owners Mike and Michelle Nemees built it without permits in an agricultural preserve, and Calaveras County supervisors in 2009 twice voted against measures that would have granted legal status to the course.

Community Bank of San Joaquin foreclosed on the course in 2009 and the Nemees filed for bankruptcy. That bankruptcy case, still working its way through federal court, delayed the foreclosure auction for more than two years.

When U.S. bankruptcy Judge Ronald Sargis in early February granted the bank's request to go ahead with the auction, he suggested that it was still possible for financial backers of the Nemees to negotiate a settlement with the bank that would let the friends of Trinitas hold on to the course.

It is not clear whether such talks are under way, or whether the Nemees know that the bank now owns part of the golf course.

Mike Nemees on Friday used a text message to refer questions to attorney Ken Foley. A staffer in Foley's office said he was not there.

But in a status report filed this week in U.S. Eastern District California Court in Fresno, Foley said the situation with the foreclosure on the golf course is changing "on a daily and sometimes almost hourly basis."

Foley also said that at the time the foreclosure auction occurred March 2, the Nemees were "unaware of this sale."

In all, the bank had four different documents securing loans with the Nemees: a lien on \$20,000 worth of personal property, first and second mortgages on the 160-acre parcel, and a second mortgage on the 120-acre parcel.

It was the second mortgage on the 160-acre parcel that the bank took to auction March 2. Attorney William Parish of Stockton, who is now representing the bank in the foreclosure procedure, said it is "not necessary" for the bank to auction the first mortgage. A scheduled auction of that first mortgage was canceled Friday.

Parish said offering the \$1.2 million second mortgage at public auction was sufficient to give the bank control of the property.

The 160-acre parcel also includes two buildings: a luxury home and a converted barn with living quarters occupied by the Nemees family. The auction of the second mortgage on the 120-acre parcel has been rescheduled for Friday.

Mark B. Rishwain and Michelle Rishwain hold the first mortgage on the 120-acre parcel for a \$600,000 loan they made to the Nemees. At a U.S. Bankruptcy Court hearing in early February, Mark B. Rishwain said he and other creditors were willing and able to look for ways to help the Nemees avoid losing the Trinitas property.

Parish on Friday said little about the progress of negotiations.

"There is always a possibility the matter will be resolved through negotiations," Parish said. "That is a preferred way for it to be resolved. But as of now, there are no pending offers."

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