

ASSET PURCHASE AGREEMENT

between

RICHARD J. CORBI, ESQ., SOLELY IN HIS CAPACITY AS CHAPTER 11 OPERATING  
TRUSTEE FOR UPPER ROOM BAPTIST CHURCH INC, Seller

and

[●], Purchaser

Premises:

180 Van Buren Street, Brooklyn, New York

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1	Wiring Instructions
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Exhibit A Schedule of Litigation

This AGREEMENT OF SALE AND PURCHASE (this “**Agreement**”) made as of this [●] day of [●], 2026, by and between RICHARD J. CORBI, ESQ., solely in his capacity as chapter 11 operating trustee for the estate of debtor UPPER ROOM BAPTIST CHURCH INC, a New York religious corporation, having an address at 180 Van Buren Street, Brooklyn, NY 11221 (“**Seller**”), and [●], a [●] limited liability company, having an address at [●] (“**Purchaser**,” and together with the Seller, the “**Parties**”).

### RECITALS

A. On January 7, 2025, Upper Room Baptist Church Inc. (the “**Debtor**”) filed a pro se voluntary petition for relief (the “**Chapter 11 Case**”) pursuant to Chapter 11 of Title 11 of the United States Code, 11 U.S.C. §§ 101 et seq. (the “**Bankruptcy Code**”) in the United States Bankruptcy Court for the Eastern District of New York (the “**Bankruptcy Court**”).

B. On April 6, 2025, the Bankruptcy Court entered the *Order Appointing a Chapter 11 Operating Trustee* [Doc. No. 14] that, among other things, directed the United States Trustee (“**UST**”) to appoint a trustee for the Chapter 11 Case “with all of the rights, powers and duties authorized under the Bankruptcy Code.” On April 10, 2025, the UST filed the *Notice of Appointment of Chapter 11 Trustee* [Doc. No. 15] appointing Richard J. Corbi, Esq. of The Law Offices of Richard J. Corbi PLLC as the Trustee for the Chapter 11 Case and the Debtor. On July 11, 2025, the Bankruptcy Court entered an order [Doc. No. 78] confirming that the Trustee has the same rights as the Debtor’s management in the prosecution of the Chapter 11 Case and authorizing the Trustee to act as any such officer, director, manager, or similar person who has been removed.

C. The Purchaser desires to purchase and acquire from the Seller (the “**Asset Sale**”), pursuant to sections 105 and 363 of the Bankruptcy Code and on the terms and subject to the conditions set forth in this Agreement, the Property (as such term is defined in Article I hereof) in consideration of the Purchase Price (hereafter defined).

D. Seller has selected Van Buren II, LLC to serve, and Van Buren II, LLC has consented to its selection and service, as the “**Stalking Horse Bidder**,” subject to the terms and conditions set forth in this Agreement.

E. Seller intends to seek entry of the Bidding Procedures Order (hereafter defined) by the Bankruptcy Court approving the Bidding Procedures (hereafter defined) for the sale of the Property that contemplates an auction if a higher and better bid is received for the Property.

F. To the extent that the bid by the Stalking Horse Bidder is the highest and best bid, Seller intends to seek the entry of the Sale Order (hereafter defined) by the Bankruptcy Court approving this Agreement and authorizing Seller to consummate the Asset Sale upon the terms and subject to the conditions set forth herein and in the Sale Order and this Agreement.

G. The Seller has determined that it is advisable and in the best interests of the Debtor’s creditors and estate to consummate the Asset Sale provided for herein pursuant to the Sale Order if it is the highest and best bid and has approved this Agreement, subject to higher and better offers as contemplated by the Bidding Procedures.

## AGREEMENT

NOW, THEREFORE, in consideration of the foregoing Recitals, which are expressly adopted herein as if fully set forth, and pursuant to the terms and provisions hereinafter set forth, the Parties agree as follows:

At the Closing (herein defined), pursuant to sections 105 and 363 of the Bankruptcy Code and on the terms and subject to the conditions set forth in this Agreement, Purchaser agrees to purchase and acquire, and the Seller agrees to sell, transfer, deliver and convey, the Property. The Property shall be sold, transferred, delivered and conveyed by the Seller to Purchaser pursuant to the terms hereof and in accordance with the Sale Order.

## ARTICLE I INCLUSIONS IN SALE

The term “**Property**” shall mean the following:

1.1. That certain plot, piece, or parcel of land situated in the Borough of Brooklyn, County of Kings, State of New York (the “**Land**”) and commonly known as 180 Van Buren Street, Brooklyn, New York, also known as Block 1614, Lot 2 on the tax map of the Borough of Brooklyn, County of Kings, State of New York.

1.2. All of Seller’s right, title and interest in and to the buildings, structures and improvements, together with all singular tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining, now erected or situate on the Land, or now situate on or appurtenant to such buildings, structures and improvements (collectively, the “**Building**”), including, but not limited to, the fixtures, equipment, and machinery at the Building.

1.3. All right, title and interest of Debtor, if any, in and to any land lying in the bed of any street, road or avenue, opened or proposed, in front of or adjoining the Land, to the center line thereof, and any strips and gores adjacent to the Land, and all right, title and interest of Debtor in and to any award made or to be made in lieu thereof and in and to any unpaid award for damage to the Land and Building by reason of change of grade of any street (together the “**Additional Interests**”). All of Debtor’s other easements and rights (including, without limitation, air and development rights), permits and/or approvals (to the extent the same are assignable) appurtenant to the Land or the Building now existing or which may become available, if any (together the “**Development/Easement Rights**”). The Land, Building, Additional Interests, and Development/Easement Rights shall be referred to collectively herein as the “**Property**”.

## ARTICLE II PURCHASE PRICE AND PAYMENTS

2.1. The purchase price (the “**Purchase Price**”) for the Property shall be the sum of \$[●].

2.2. No later than three (3) business days following the Bankruptcy Court's entry of an order retaining the Escrow Agent (defined below), Purchaser shall deposit an amount in cash equal to [●] (\$[●]) (such amount, together with any interest accrued thereon prior to the Closing Date, the "**Deposit**") by wire transfer of immediately available funds to the account designated by that certain escrow agent to be retained by the Trustee (the "**Escrow Agent**"). The Deposit shall not be subject to any lien, attachment, trustee process or any other judicial process of any creditor of either of Seller or Purchaser and shall be held in trust to be administered solely in accordance with the terms of this Agreement and, upon entry, the Bid Procedures Order. Upon the Closing, the Deposit shall be an excluded asset and shall not be subject to any restrictions under this Agreement.

2.3. At the Closing, and subject to the terms and conditions of this Agreement and the entry and effectiveness of the Sale Order, Purchaser shall pay, or cause to be paid, (i) to Seller, by wire transfer of immediately available funds to the account or accounts designated by Seller prior to the Closing, an amount in cash equal to the sum of the following: (A) the Purchase Price; plus (B) the buyer's premium in the amount of five percent (5%) of the Purchase Price (the "**Buyer's Premium**") as the sole commission due to Seller's real estate broker, MYC & Associates, Inc. ("**MYC**"), minus (C) the Deposit. At the Closing, and subject to the terms and conditions of this Agreement and the entry and effectiveness of the Sale Order, the Escrow Agent shall remit to Seller, by wire transfer of immediately available funds to the account or accounts designated by Seller prior to the Closing, the Deposit.

### **ARTICLE III** **REPRESENTATIONS**

3.1. The Seller, Debtor and their respective professionals, including MYC, have not made, and do not make, and Purchaser has not relied on, any representations or warranties of any kind, including, but not limited to, as to the physical condition, expenses, operations, leases, rents, tenancies, value of the Property, or any other matter or thing affecting or related to the Property that might be pertinent to the purchase of the Property, and including, without limitation: (a) the value of the Property; (b) any income to be derived from the Property; (c) the suitability of the Property for any and all activities and uses which Purchaser may conduct thereon, including the possibilities for further development of the Property or construction thereon; (d) the habitability, merchantability, marketability, profitability or fitness for a particular purpose of the Property or any improvements thereon; (e) the manner, quality, state of repair or lack of repair on the Property or any improvements thereon; (f) the nature, quality or condition of the Property, including with respect to water conditions, soil, geological or geotechnical condition (including soil expansiveness, corrosivity, or stability, or seismic, hydrological, geological and topographical conditions and configurations, including, without limitation, any opinions or conclusions of any soils engineer(s) retained to perform geotechnical and/or soils studies or to oversee any soils engineering aspects of developing the Property); (g) the compliance of or by Seller, Debtor, the Property, or its operation with any codes, laws, rules, ordinances, regulations of any applicable governmental authority or body; (h) the manner or quality of the construction or materials incorporated into the Property; (i) compliance with environmental laws or land use laws, rules, regulations, orders, codes or requirements, including, but not limited to, the Americans with Disabilities Act of 1990, the Federal Water Pollution Control Act, the U.S. Environmental

Protection Agency regulations at 40 CFR, Part 261, the Clean Water Act, the Safe Drinking Water Act, the Hazardous Materials Transportation Act, the Toxic Substance Control Act, and/or any rules or regulations promulgated under any of the foregoing (as the same may be amended from time to time); (j) the presence or absence of radon gas, methane gas, or asbestos any other hazardous materials at, on, under, or adjacent to the Property; (k) the conformity of any improvements to any plans or specifications, including, but not limited to, any plans and specifications that may have been or may be provided to Purchaser; (l) the conformity of the Property to past, current or future applicable zoning or building requirements; (m) deficiency of any undershoring; (n) deficiency of any drainage; (o) the fact that all or a portion of the Property may be located on or near an earthquake fault line or in or near an earthquake or seismic hazard zone; (p) the existence of vested land use, zoning or building entitlements affecting the Property; (q) water rights or the availability of or access to water; (r) the presence or suitability of any utilities or availability thereof; (s) the completeness or accuracy of any information provided to Purchaser by Seller or its agents; or (t) any other matter relating to the Property or to the development, construction, operation, or sale of the Property. The Seller, Debtor and their respective professionals, including MYC, are not liable for or bound in any manner by expressed or implied warranties, guaranties, promises, statements, representations or information pertaining to the Property, or any real estate broker, agent, employee, servant or other person or professional representing or purporting to represent the Seller unless such warranties, guaranties, promises, statements, representations or information are expressly and specifically set forth in writing by the Seller

3.2. The Purchaser hereby expressly agrees and acknowledges that no such representations or warranties have been made, and that Purchaser has not relied upon any statements, representations or warranties by Seller, Debtor or any agent of Seller or Debtor, including MYC. Purchaser agrees that the Property shall be sold, and that Purchaser shall accept possession of the Property on the Closing Date, strictly on an **“AS IS, WHERE IS” AND “WITH ALL FAULTS, LIABILITIES, AND DEFECTS, LATENT OR OTHERWISE, KNOWN OR UNKNOWN”** basis, with no right of set-off or reduction in the Purchase Price, and that such sale shall be without representation or warranty of any kind, express or implied, including any warranty of income potential, operating expenses, uses, merchantability or fitness for a particular purpose, and Seller does hereby disclaim and renounce any such representation or warranty. Purchaser further acknowledges and agrees that Seller is under no duty to make any affirmative disclosures or inquiry regarding any matter and Purchaser, for itself and for its successors and assigns, hereby expressly waives and releases Seller from any such duty that otherwise might exist.

3.3. Purchaser, for Purchaser and Purchaser’s successors and assigns, hereby releases Seller and Debtor and their respective officers, directors, shareholders, trustees, affiliates, employees, agents or representatives from, and irrevocably and unconditionally waives all claims and liability against Seller for or attributable to, the Property and any and all statements or opinions heretofore or hereafter made, or information furnished, by or on behalf of Seller to Purchaser or any of Purchaser’s agents or representatives relating to the Property. Purchaser acknowledges and agrees that (a) Purchaser may hereinafter discover facts different from or in addition to those now (or as of the Closing) known to Purchaser, (b) Purchaser’s agreement to release, acquit and discharge Seller and Debtor as set forth herein shall remain in full force and effect notwithstanding the existence or discovery of any such additional or different facts, (c) Purchaser knowingly waives any rights, privileges and benefits under any federal, state or local law which may negatively

impact the validity or enforceability of any part of the releases set forth in this Agreement, (d) upon the completion of the Closing, Seller shall be deemed to have satisfied all of Seller's obligations, covenants and liabilities in this Agreement and in any documents executed by Seller in connection herewith other than those obligations of Seller that, by the express terms of this Agreement, survive the Closing (in which case such survival shall be subject to the limitations set forth in this Agreement), and (e) Purchaser irrevocably covenants never to commence or prosecute, or to collude with others to commence or prosecute, against Seller or Debtor, or any of their professionals, any action or proceeding based upon any claim covered by the foregoing release. Purchaser understands the legal significance of the foregoing provisions and acknowledges and agrees that the provisions of this Section 3.3 were a material factor in Seller's acceptance of the Purchase Price and that Seller is unwilling to sell the Property unless Seller is expressly released as set forth in this Section 3.3. The releases contained in this Section 3.3 and elsewhere in this Agreement include claims of which Purchaser is presently unaware or which Purchaser does not presently suspect to exist, which, if known by Purchaser, would materially affect Purchaser's release of Seller. Purchaser specifically waives the provisions of any law of any state, territory or jurisdiction the import of which is as follows: A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor. Notwithstanding anything to the contrary in this Agreement, the provisions of Section 3.1, 3.2, and 3.3 shall survive the Closing.

3.4. Purchaser warrants and represents to Seller that the following statements contained in this section are true, correct and complete as of the date of this Agreement and shall be true, correct and complete as of the Closing Date:

3.4.1. Purchaser is a limited liability company duly formed, validly existing and in good standing under the laws of New York and authorized to transact business in the State of New York.

3.4.2. Purchaser has all necessary power to execute and deliver this Agreement and to consummate the transactions provided for herein.

3.4.3. This Agreement has been duly and validly executed and delivered by Purchaser and constitutes a valid and legal binding obligation of Purchaser enforceable against it in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws relating to or affecting the rights and remedies of creditors generally and to general principles of equity.

3.4.4. Purchaser has sufficient unrestricted cash on hand or available financing to pay all amounts required to be paid by Purchaser pursuant to the terms of this Agreement (whether payable before, at or after the Closing), and all of its and its representatives' fees and expenses incurred in connection with the transactions contemplated by this Agreement. Purchaser has no reason to believe that such available cash shall not be available. In no event shall the receipt by, or the availability of any funds or financing to, Purchaser be a condition to Purchaser's obligation to consummate the transactions contemplated hereunder. Purchaser's



obligation to perform under this Agreement is not contingent upon Purchaser's ability to obtain any financing for acquisition of the Property.

3.4.5. Purchaser acknowledges and agrees that it has conducted to its satisfaction an independent investigation of the Property, and, in making its determination to proceed with the transactions contemplated by this Agreement, Purchaser (i) has relied solely on the results of its own independent investigation, and (ii) has not relied on the accuracy or completeness of any other information provided to (or otherwise acquired by) Purchaser.

3.4.6. PURCHASER IS NOT RELYING ON ANY REPRESENTATIONS, WARRANTIES, OR OTHER STATEMENTS (INCLUDING BY OMISSION) OF ANY KIND WHATSOEVER, WHETHER ORAL OR WRITTEN, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, AS TO ANY MATTER CONCERNING SELLER, DEBTOR, THE PROPERTY OR IN CONNECTION WITH THIS AGREEMENT OR THE TRANSACTION CONTEMPLATED BY THIS AGREEMENT, OR THE ACCURACY OR COMPLETENESS OF ANY INFORMATION PROVIDED TO (OR OTHERWISE ACQUIRED BY) PURCHASER.

3.4.7. Purchaser has no connections to the Debtor, the Seller, the Seller's professionals and it has never been affiliated in any manner whatsoever, or held any interest in, the Debtor, the Debtor's estate or the Debtor's creditors.

3.4.8. There are no actions, suits or proceedings pending or, to the knowledge of Purchaser, threatened, against or affecting Purchaser which, if determined adversely to Purchaser, would adversely affect its ability to perform its obligations hereunder.

3.4.9. Neither the execution, delivery or performance of this Agreement nor compliance herewith (a) conflicts or will conflict with or results or will result in a breach of or constitutes or will constitute a default under (i) the organizational documents or operating agreement of Purchaser, (ii) to the best of Purchaser's knowledge, any law or any order, writ, injunction or decree of any court or governmental authority, or (iii) any agreement or instrument to which Purchaser is a party or by which it is bound; or (b) results in the creation or imposition of any lien, charge or encumbrance upon its property pursuant to any such agreement or instrument.

3.4.10. Other than the Sale Order, no authorization, consent or approval of any governmental authority (including courts) is required for the execution and delivery by Purchaser of this Agreement or the performance of its obligations hereunder.

3.4.11. Purchaser is not, and will not be, a person with whom Seller is restricted from doing business with under the Uniting and Strengthening

America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, H.R. 3162, Public Law 107-56 and Executive Order Number 13224 on Terrorism Financing, effective September 24, 2001 and regulations promulgated pursuant thereto, including persons and entities named on the Office of Foreign Asset Control Specially Designated Nationals and Blocked Persons List.

Notwithstanding anything to the contrary in this Agreement, the provisions of this Section 3.4 shall survive the Closing.

#### **ARTICLE IV**

#### **CONDITION OF PROPERTY AND STATE OF TITLE OF PROPERTY**

4.1 The Property and any personal property included therewith, if any, is being sold and delivered **“AS IS”**, **“WHERE IS”**, **“WITH ALL FAULTS”**, without any representations, covenants, guarantees or warranties of any kind or nature whatsoever, and is being sold vacant of tenants and other occupants of the Property and free and clear of all monetary violations (**“Violations”**), past due water bills (**“Past Bills”**), open real estate taxes (**“Open Taxes”**) (subject to any adjustments at the time of the Closing), all liens, claims, encumbrances and other interests, with such liens, claims, encumbrances and other interests (**“Liens”**), with such Liens, if any, to attach to the proceeds of the Sale in such order and priority as they existed immediately prior to the Petition Date, and subject to, among other things: (a) any state of facts that an accurate survey may show; (b) any covenants, restrictions and easements of record; (c) any state of facts a physical inspection may show; provided that same does not render title to the Property unmarketable. (d) any building or zoning ordinances or other applicable municipal regulations or other laws, ordinances, codes, restrictions and regulations of governmental authorities having jurisdiction over the Property and violations thereof; (e) environmental conditions; (f) all utility easements and agreements affecting the Property; (g) rights of others in any streams, drains or ditches bordering or crossing the Property; (h) subsurface conditions affecting the Property not disclosed by any instrument of record; (i) taxes for the year in which the Closing Date occurs, which are not yet due and payable; and (j) subject to all deed restrictions (collectively, the **“Permitted Exceptions”**). The Purchaser acknowledges that it has had the opportunity to review and inspect the Property, the state of title thereof, and the laws, rules and regulations applicable thereto, and will rely solely thereon and on its own independent investigations and inspections of the Property.

4.1. Purchaser acknowledges that the Building is not habitable and is in an unsafe condition for any occupancy.

**ARTICLE V**  
**TITLE INSURANCE AND ABILITY OF SELLER TO CONVEY**

5.1. The Seller shall convey the Property by delivery of a bargain and sale deed without covenant. The quality of title shall be that which any reputable title insurance company authorized to do business in the State of New York is willing to approve and insure. The Purchaser may, at its sole discretion, arrange for the issuance of a title insurance policy at the Purchaser's sole cost and expense.

5.2. If the Seller is unable to deliver title to the Property in accordance with this Agreement and the Bidding Procedures for any reason whatsoever, its only obligation will be to authorize the Escrow Agent to refund the Deposit to the Purchaser and, upon such refund, the Purchaser shall not have any claim or recourse whatsoever against the Property, the Seller, the Debtor's estate, or the Seller's professionals.

**ARTICLE VI**  
**TRANSFER TAXES**

6.1. All city and state transfer taxes assessed for the sale of the Property shall be paid through, and/or treated in accordance with, a chapter 11 plan of liquidation to be filed by the Seller in the Debtor's Chapter 11 Case. For the avoidance of doubt, Purchaser shall not be responsible for transfer taxes.

**ARTICLE VII**  
**CASUALTY AND EMINENT DOMAIN**

7.1. The risk of loss or damage to the Property by fire or other casualty is hereby assumed by Purchaser and without any obligation or liability by Seller or Debtor to repair the same. If loss or damage to the Property occurs, this Agreement shall under all circumstances continue in full force and effect, without any abatement or adjustment of the Purchase Price by reason of such loss or damage. In the event all or any portion of such improvements, either material or immaterial, are destroyed, Seller shall have the right to enforce this Agreement and Purchaser shall be obligated to pay the Purchase Price in full, without abatement.

**ARTICLE VIII**  
**ASSESSMENTS**

8.1. If on or after the date hereof, the Property or any part thereof shall be or shall have been affected by any real estate tax assessment or assessments which are or may become payable in one or more installments, Purchaser agrees to take title to the Property (without reduction in or adjustment of the Purchase Price) subject to all unpaid installments becoming due and payable after the date hereof. Notwithstanding the foregoing, if any assessments are in regard to a time period during which Debtor owned the Property (i.e., prorated such that Seller shall be responsible up through the day immediately prior to the Closing Date (hereafter defined), and

Purchaser shall be responsible from and after the Closing Date), Seller shall be required to pay such assessments out of the Purchase Price.

## **ARTICLE IX** **CLOSING**

9.1. The closing (the “**Closing**”) of the transaction contemplated by this Agreement shall take place remotely, by electronic exchange of executed documents, and will occur on a date to be determined by the Seller within sixty (60) days following the entry of the Sale Order (the “**Closing Date**”).

## **ARTICLE X** **DELIVERIES AT CLOSING**

10.1. Seller shall deliver or cause to be delivered to Purchaser on the Closing Date:

10.1.1. A bargain and sale deed without covenant for the Property in recordable form.

10.1.2. Certification that Seller is not a foreign person.

10.1.3. Keys and combinations to locks at the Property in Seller’s possession.

10.1.4. Transfer tax returns and related affidavits and other forms required in connection therewith, including but not limited to, a properly completed New York City Department of Finance Real Property Transfer Tax Return (the “**RPT Return**”) New York State Combined Real Estate Transfer Tax Return and Credit Line Mortgage Certificate (Form TP-584) (the “**TP-584**”), New York State Equalization and Assessment Return State of New York Real Property Transfer Report for New York City (RP-5217NYC) (the “**RP-5217**”) (collectively, the “**Transfer Tax Returns**”).

10.1.5. Information for Real Estate 1099-S Report Filing in accordance with § 6045 of the Internal Revenue Code of 1986, as amended.

10.1.6. A bill of sale in a form reasonably acceptable to Seller (the “**Bill of Sale**”).

10.1.7. Assignments and assumptions of the any assumed contracts (if any) in a form reasonably acceptable to Seller (the “**Omnibus Assignment**”).

10.1.8. Such other documents as are contemplated by this Agreement or as may be reasonably required by Purchaser or by Purchaser’s title

insurance company to issue a title insurance policy insuring Purchaser's title to the Property, but without increased obligation or liability of Purchaser.

10.1.9. A closing statement setting forth the Purchase Price, Buyer's Premium, and prorations and adjustments contemplated hereunder.

10.2. Purchaser shall deliver or cause to be delivered to Seller on the Closing Date the following items, to the extent applicable, duly executed by Purchaser or its authorized representatives:

10.2.1. The Purchase Price (including the Deposit), plus the Buyer's Premium.

10.2.2. The Transfer Tax Returns duly executed by Purchaser.

10.2.3. Evidence reasonably acceptable to Seller authorizing the consummation by Purchaser of the transaction which is the subject of this Agreement and the execution and delivery of documents on behalf of Purchaser.

10.2.4. The Bill of Sale.

10.2.5. The Omnibus Assignment.

10.2.6. A closing statement setting forth the Purchase Price, Buyer's Premium, and prorations and adjustments contemplated hereunder.

10.2.7. Such other documents as may be reasonably required by Seller to consummate the transaction which is the subject of this Agreement, but without increased obligation or liability of Purchaser.

10.3. **Closing Adjustments.** The following items shall be apportioned between the parties as of 12:00:01 a.m. on the Closing Date:

10.3.1. Real estate taxes, water and sewer assessments, if any. The apportionment of real estate taxes shall be upon the basis of the tax year in which the Closing occurs.

10.3.2. Any water and sewer charges, according to a final reading and/or bill.

Other items normally adjusted between purchasers and sellers in such transactions in Brooklyn, New York.

10.3.3. Debtor's estate shall pay all transfer taxes and transfer fees incident to the transactions contemplated hereby, which will be paid through, and/or treated in accordance with, a chapter 11 plan of liquidation to be filed by the Seller in the Debtor's Chapter 11 Case.

Any errors, omissions or estimations in computing apportionments at the Closing, including any corrections to any payoff amounts owing to existing mortgagees, shall be corrected as soon as practicable thereafter. The provisions of this Section 10.3 shall survive the Closing.

## **ARTICLE XI** **VIOLATIONS**

11.1. Seller agrees to pay all known fines, penalties, liens and interest with respect to any such violations imposed prior to the Closing Date, but Seller shall not be responsible for any fines, penalties, liens or interest with respect to violation, which were created by, or in any way connected to, the acts or omissions of Purchaser or are first issued or imposed after the Closing. Such amounts resulting from the violations for which Seller is responsible will result in a claim against the Debtor's estate in favor of the party assessing the fine, penalty, lien or interest.

## **ARTICLE XII** **TAXES**

12.1. The parties hereto agree that no part of the Purchase Price is attributable to personal property, provided that Purchaser agrees to pay any and all sales tax that may be assessed by New York State or City on the personal property included within the Property.

12.2. Tax Cooperation. Each of the Purchaser, on the one hand, and the Seller, on the other hand, shall cooperate fully, as and to the extent reasonably requested, in connection with the preparation and filing of tax returns and any audit, litigation or other proceeding with respect to taxes and shall furnish or cause to be furnished to the other, upon request, as promptly as practicable, such information and assistance relating to the Property as is reasonably necessary for filing of all tax returns, including any Claim for exemption or exclusion from the application or imposition of any taxes, the preparation for any audit by any governmental authority and the prosecution or defense of any Claim relating to any tax return.

## **ARTICLE XIII** **NOTICES**

13.1. All notices, requests, demands and other communications under this Agreement shall be in writing and shall be deemed to have been duly given when transmitted via electronic mail to the applicable electronic mail address set forth below if confirmation of receipt is obtained promptly after completion of transmission and for default notices also by: (i) on the date of service, if served personally on the Party to whom notice is to be given; (ii) on the day after delivery to Federal Express or similar overnight courier or the Express Mail service maintained by the United States Postal Service sent for next business day delivery, to the Party as follows:

(i) To Seller:

Richard J. Corbi, Esq.  
The Law Offices of Richard J. Corbi PLLC

104 West 40th Street, 4<sup>th</sup> Floor  
New York, New York 10018  
E-mail: rcorbi@corbilaw.com

with a copy to be given simultaneously to:

Lowenstein Sandler LLP  
Attn: Eric S. Chafetz, Esq.  
Erica G. Mannix, Esq.  
1251 Avenue of the Americas  
New York, New York 10020  
Email: echafetz@lowenstein.com  
Email: emannix@lowenstein.com

(ii) To Purchaser:

[•]

with a copy to be given simultaneously to:

[•]

(iii) To Escrow Agent:

[to be inserted upon the Trustee's retention]

#### **ARTICLE XIV** **TERMINATION**

14.1. The Agreement may be terminated, in writing, prior to the Closing Date:

14.1.1. by Purchaser if Seller accepts a higher or better bid for the Property after an auction pursuant to the Bidding Procedures and closes such alternative transaction;

14.1.2. by Seller, if Purchaser shall have breached any representation or warranty or failed to comply with any covenant or agreement applicable to Purchaser that in each case would, if occurring or continuing on the Closing Date, cause any such covenant or agreement not to be satisfied and such breach or failure to perform has not been cured on or prior to the date that is five (5) Business Days from the date that Purchaser is notified in writing by Seller of such breach or failure to perform;

14.1.3. by Seller at any time prior to the Closing Date;

14.1.4. by any party in the event that any governmental authority of competent authority and jurisdiction shall have issued an order or judgment or enacted a law that permanently enjoins or otherwise makes illegal or prohibits the Asset Sale pursuant to this Agreement; and

14.1.5. By Purchaser or Seller, if the sale hereunder is not consummated by the date which is sixty (60) days after the originally scheduled Closing Date.

## **ARTICLE XV**

### **BANKRUPTCY ACTIONS**

15.1. Seller shall file a motion (the “**Bidding Procedures Motion**”) in the Bankruptcy Court seeking approval of, among other things, (i) procedures to sell the Property pursuant to the terms of this Agreement subject to higher and better offers (the “**Bidding Procedures**”), (ii) the Purchaser as the stalking horse bidder (the “**Stalking Horse Bidder**”) pursuant to such Bidding Procedures, and (iii) the sale of the Property to the highest and best offer (i.e., the Asset Sale). The Bidding Procedures Motion shall also seek entry of an order by the Bankruptcy Court scheduling a hearing on the Asset Sale (the “**Sale Hearing**”).

15.2. Seller and Purchaser shall (i) appear formally or informally in the Bankruptcy Court if reasonably requested by the other or required by the Bankruptcy Court in connection with the Asset Sale, and (ii) keep the other reasonably apprised of the status of material matters related to the Agreement, including promptly furnishing the other with copies of all notices or other communications received by Seller from the Bankruptcy Court with respect to the Asset Sale.

15.3. Seller and Purchaser acknowledge that this Agreement and the sale of the Property are subject to higher and better bids and Bankruptcy Court approval. Seller must act in good faith and take reasonable steps to demonstrate that it has sought to obtain the highest or otherwise best price for the Property, including giving notice thereof to the creditors of the Debtor and other interested parties, providing information about the Debtor and the Property to prospective bidders, entertaining higher and better offers from such prospective bidders, and, if additional qualified prospective bidders desire to bid for the Property, conducting an Auction (hereinafter defined) as provided for under the Bidding Procedures.



15.4. Sale Order. At the Sale Hearing, Seller will seek the entry of an order, in form and substance acceptable to Purchaser (the “**Sale Order**”), including the assumption that the Purchaser is the successful bidder pursuant to the Bidding Procedures. The Sale Order shall include, among other findings and determinations: (i) approval of the Agreement pursuant to sections 105 and 363 of the Bankruptcy Code; (ii) a determination Purchaser is a good-faith buyer pursuant to section 363(m) of the Bankruptcy Code; (iii) determinations that the Purchase Price constitutes fair saleable value and is reasonably equivalent value for the Property; and (iv) a determination that the Property is being sold and conveyed to Purchaser free and clear of any and all Liens, Violations, Past Bills, Open Taxes, claims and encumbrances.

15.5. Break-Up Fee and Auction. Seller agrees to seek approval by the Bankruptcy Court of a break-up fee of \$30,000.00 (the “**Break-Up Fee**”) which shall be payable by Seller by wire transfer of immediately available funds following termination of this Agreement by Purchaser and closing of the sale of the Property to the winning bidder in accordance with paragraph 19(f) of the Bidding Procedures Motion. Purchaser agrees to be the backup bidder at the Auction if it is the next highest bid to the successful bid (i.e., the Second Highest Bidder pursuant to the terms of the Bidding Procedures).

## **ARTICLE XVI**

### **DEFAULT**

16.1. Purchaser’s Default. If the sale contemplated hereby is not consummated because of a default by Purchaser in its obligation to purchase the Property in accordance with the terms of this Agreement, then: (a) this Agreement shall terminate; (b) the Deposit shall be paid to and retained by Seller; and (c) Seller may pursue all rights and remedies available to it at law or in equity, IT BEING ACKNOWLEDGED AND AGREED THAT THE PARTIES HERETO, BEFORE ENTERING INTO THIS AGREEMENT, HAVE BEEN CONCERNED WITH THE FACT THAT SUBSTANTIAL DAMAGES WILL BE SUFFERED BY SELLER IN THE EVENT THAT PURCHASER SHOULD FAIL TO PURCHASE THE PROPERTY SUBJECT TO AND IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THIS AGREEMENT. PURCHASER AND SELLER ACKNOWLEDGE THAT THE DAMAGES TO SELLER IN THE EVENT OF A BREACH OF THIS AGREEMENT BY PURCHASER WOULD BE DIFFICULT OR IMPOSSIBLE TO DETERMINE AND THAT THE AMOUNT OF THE DEPOSIT DOES NOT REPRESENT THE PARTIES’ BEST AND MOST ACCURATE ESTIMATE OF THE DAMAGES THAT WOULD BE SUFFERED BY SELLER IF THE TRANSACTION SHOULD FAIL TO CLOSE. THE PARTIES CANNOT ASCERTAIN THE ACTUAL COMPENSATORY DAMAGES WHICH SELLER WOULD SUFFER IN THE EVENT OF PURCHASER’S FAILURE TO PURCHASE THE PROPERTY SUBJECT TO AND IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THIS AGREEMENT. THEREFORE, THE PARTIES HEREBY EXPRESSLY AGREE THAT THE DEPOSIT DOES NOT CONSTITUTE LIQUIDATED DAMAGES AND THAT, IN ADDITION TO RETAINING THE DEPOSIT IN THE EVENT OF PURCHASER’S BREACH OF THIS AGREEMENT, SELLER MAY PURSUE ALL OTHER RIGHTS AND REMEDIES AVAILABLE TO IT AT LAW OR IN EQUITY.

16.2. Seller's Default. If Purchaser shall have performed or tendered performance of all of its material obligations under this Agreement, and the sale contemplated hereby is not consummated because of a default by Seller in its obligation to sell the Property in accordance with the terms of this Agreement, and such default continues for a period of ten (10) business days after notice from Purchaser, then, Purchaser may, as its sole and exclusive remedy at law or in equity: (a) terminate this Agreement by giving written notice thereof to Seller, in which event the Deposit will be returned to Purchaser and the parties shall have no further obligation to each other except for Purchaser's obligations that expressly survive the termination of this Agreement; (b) waive such default and consummate the transactions contemplated hereby in accordance with the terms of this Agreement; or (c) specifically enforce this Agreement. Purchaser hereby irrevocably waives any other right or remedy for such default. As a condition precedent to Purchaser exercising any right to bring an action for specific performance as the result of Seller's default hereunder, Purchaser must commence such action within sixty (60) days after the occurrence of such default. Purchaser agrees that its failure timely to commence such an action for specific performance within such sixty (60) day period shall be deemed a waiver by it of its right to commence such an action. Any termination by Purchaser under this Section 16.2 must be as to all of the Property, it being acknowledged and agreed that Purchaser shall have no right under this Section 16.2 or any other provision of this Agreement to purchase less than all of the Property.

## **ARTICLE XVII**

### **MISCELLANEOUS**

17.1. Amendment and Severability. This Agreement may only be amended by a written agreement of Seller and Purchaser. If any provision, clause or part of this Agreement or the application thereof under certain circumstances, is thought to be invalid, the remainder of this Agreement, or the application of each provision, clause or part under other circumstances, shall not be affected thereby.

17.2. Governing Law. This Agreement shall be governed by and subject to the laws of the State of New York without regard to its conflicts of laws principles.

17.3. Waiver. The failure of any party to insist, in any one or more instances, upon performance of any of the terms or conditions of this Agreement, shall not be construed as a waiver or relinquishment of any rights granted hereunder or the future performance of any such term, covenant or condition.

17.4. Exclusive Jurisdiction. The Bankruptcy Court shall retain exclusive jurisdiction to enforce the terms of this Agreement and to decide any claims or disputes which may arise or result, or be connected with, this Agreement, any breach or default hereunder, or the transactions contemplated hereby. In all claims, actions, classes of action, suits and proceedings relating to the foregoing shall be filed and maintained only in the Bankruptcy Court and the parties hereby consent to the jurisdiction of the Bankruptcy Court.

17.5. Schedules. All Schedules which are annexed to this Agreement are a part of this Agreement and are incorporated herein by reference.

17.6. Counterparts; Electronic Execution. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument, provided that all such counterparts, in the aggregate, shall contain the signatures of all parties hereto. This Agreement may be executed electronically, by facsimile, emailed documents (including transmission of a pdf document) and the like.

17.7. Benefit. This Agreement shall be binding upon and inure to the benefit and burden of and shall be enforceable by each of the Parties and their respective successors and permitted assigns. This Agreement may not be assigned by the Purchaser prior to the Closing, *provided, however*, that Purchaser may assign this Agreement after the Closing without the written consent of the Seller.

17.8. No Third-Party Beneficiaries. This Agreement shall not confer any rights or remedies upon any person other than parties hereto and their respective successors and permitted assigns.

17.9. Expenses. Except as otherwise expressly provided herein, each of the Parties hereto shall pay all of its own fees, costs and expenses (including fees, costs and expenses of legal counsel, brokers or other representatives and consultants and appraisal fees, costs and expenses) incurred in connection with the negotiation of this Agreement, and the consummation of the transaction contemplated hereby. For the avoidance of doubt, Purchaser is responsible for paying the Buyer's Premium, which is compensation for the Seller's real estate broker, MYC.

17.10. All understandings and agreements heretofore had between the parties hereto with respect to the subject matter of this Agreement are merged into this Agreement, which alone fully and completely expresses their agreement with respect to the subject matter of this Agreement.

17.11. Time of the Essence. Time is of the essence with respect to all obligations of Purchaser hereunder.

17.12. Broker. Purchaser and Seller respectively represent to each other that no broker has been involved in connection with any aspect of this sale pursuant to this Agreement except for MYC ("**Broker**"). Purchaser shall indemnify Seller against all claims, costs and liability relating to any claim by any broker or any other person claiming by, through or under Purchaser, other than Broker. The provisions of this Section 17.12 shall survive the Closing or termination of this Agreement.

17.13. The acceptance of the deed and the entry of the Sale Order shall constitute full performance of all of Seller's obligations hereunder other than those obligations of Seller, if any, that by the express terms hereof are to survive the Closing.

17.14. Attorneys' Fees. In the event of a judicial or administrative proceeding or action by one party against the other party with respect to the interpretation or enforcement of this Agreement, the prevailing party shall be entitled to recover reasonable costs and expenses including reasonable attorneys' fees and expenses, whether at the investigative, pretrial, trial or

appellate level. The prevailing party shall be determined by the court based upon an assessment of which party's major arguments or position prevailed.

## **ARTICLE XVIII**

### **NO RECORDING OR LIS PENDENS**

18.1 The parties hereto agree that neither this Agreement nor any memorandum or notice hereof shall be recorded, and Purchaser agrees not to file any *lis pendens* or other instrument against the Premises in connection herewith. Purchaser (i) acknowledges that the filing of a *lis pendens* or other evidence of Purchaser's rights or the existence of this Agreement against the Premises, could cause significant monetary and other damages to Seller and (ii) hereby indemnifies Seller from and against any and all liabilities, damages, losses, costs or expenses (including, without limitation, reasonable attorneys' fees and costs incurred in the enforcement of the foregoing indemnification obligation) arising out of the breach by Purchaser of any of Purchaser's obligations under this Section. The provisions of this Section shall survive the termination of this Agreement.

## **ARTICLE XIX**

### **ESCROW PROVISIONS**

#### 19.1. Deposit.

19.1.1. The Escrow Agent shall hold the Deposit in a federally insured escrow account in accordance with the terms and conditions of this Agreement to be disbursed as provided in this Agreement.

19.1.2. Purchaser and Seller hereby acknowledge and agree that the Deposit does not and shall not constitute property of the estate of Purchaser within the meaning of Section 541 of Title 11 of the United States Code, or substantially similar provisions of state and federal law, Purchaser's interest in the Deposit is limited to the right to have the Deposit returned if and when the conditions for the return of the Deposit to Purchaser are satisfied as set forth herein or to have the Deposit credited against the Purchase Price at the Closing as set forth in Section 3.4. Purchaser and Seller hereby acknowledge and agree that (i) the proper giving of notice by Seller to release the Deposit as may be provided herein; and/or (ii) the proper release of the Deposit to Seller shall not be a violation of any provision of the United States Code (including, without limitation, Section 362 thereof) or substantially similar provisions of state and federal law or require the approval of any court with jurisdiction over any case in which Purchaser or any affiliate of Purchaser is a debtor. Purchaser hereby waives any provision of the United States Code (including, without limitation, Sections 105 and 362 thereof) or substantially similar provisions of state law necessary to invoke the foregoing, and waives any right to defend against any motion for relief from the automatic stay that may be filed by Seller.

#### 19.2. Escrow Agent.

19.2.1. If Seller or Purchaser claims that it is entitled to receive all or any portion of the Deposit pursuant to the terms of this Agreement, that party shall

notify the Escrow Agent in writing and shall simultaneously deliver written notice of its claim to the other party. Except as expressly set forth below, if the Escrow Agent does not receive a written objection from or on behalf of the other party within ten (10) days after receipt of the claiming party's notice, the Escrow Agent shall deliver to the claiming party all or that portion of the Deposit claimed by the claiming party. If the Escrow Agent receives conflicting instructions or claims concerning the Deposit from Seller and Purchaser, the Escrow Agent shall continue to hold the Deposit until jointly directed by Seller and Purchaser or until otherwise directed by a court of competent jurisdiction. The Escrow Agent may at any time discharge its duties hereunder by depositing the Deposit with a court of competent jurisdiction and notifying Seller and Purchaser.

19.2.2. The parties acknowledge that the Escrow Agent is holding the Deposit solely as a stakeholder at their request and for their convenience, that the Escrow Agent shall not be deemed to be the agent of either party in carrying out its role as escrow agent hereunder, and that the Escrow Agent shall not be liable to either party for any act or omission on its part unless taken in willful disregard of this Agreement or involving its gross negligence or willful misconduct. Seller and Purchaser jointly and severally indemnify and hold the Escrow Agent harmless from and against any and all claims, liabilities and out-of-pocket expenses (including reasonable out-of-pocket attorneys' fees and disbursements and court costs) which the Escrow Agent may incur in connection with the performance of its duties hereunder, except with respect to actions or omissions taken by the Escrow Agent in willful disregard of this Agreement or involving the Escrow Agent's gross negligence or willful misconduct.

19.3. The Escrow Agent has acknowledged its agreement to act as escrow agent in accordance with this Agreement by signing in the place indicated on the signature page of this Agreement.

[Continued next page]

*[Signature page for Asset Purchase Agreement]*

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed as of the day and year first above written.

SELLER:

RICHARD J. CORBI, ESQ., the chapter 11 operating  
Trustee for the estate of UPPER ROOM BAPTIST  
CHURCH, INC., a New York religious corporation

By: \_\_\_\_\_  
Name: Richard J. Corbi  
Title: Chapter 11 Operating Trustee

PURCHASER:

[●],  
a [●] limited liability company

By: \_\_\_\_\_  
Name:  
Title:

Escrow Agent as to Escrow  
Provisions in Article XIX

[to be inserted upon the Trustee's retention]

By: \_\_\_\_\_  
Name:  
Title:

SCHEDULE 1

Wiring Instructions to Escrow Agent

[to be provided to Purchaser upon the Escrow Agent's retention]