

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF NEW YORK

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In re:

Upper Room Baptist Church Inc.,

Chapter 11

Case No. 25-40070-nhl

Debtor.

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**BIDDING PROCEDURES FOR THE SALE OF THE DEBTOR'S REAL PROPERTY  
LOCATED AT 180 VAN BUREN STREET, BROOKLYN, NY 11221**

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On January 7, 2025 (the “Petition Date”), the Upper Room Baptist Church Inc (the “Debtor”) filed a *pro se* voluntary petition for relief under 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 “Court”). On April 6, 2025, the Court entered the *Order Appointing a Chapter 11 Operating Trustee* [Doc. No. 14] (the “Trustee Order”) that, among other things, directed the United States Trustee (the “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 November 18, 2025, the Trustee filed *The Chapter 11 Operating Trustee’s Motion For Entry Of Orders Pursuant To 11 U.S.C. §§ 105 And 363: (I)(A) Authorizing The Trustee To Sell The Real Property Located At 180 Van Buren Street, Brooklyn, New York 11221 To The Highest And Best Bidder At An Auction Sale Free And Clear Of All Liens, Claims, And Encumbrances, (B) Approving Bidding Procedures, (C) Approving The Break-Up Fee, (D) Scheduling A Hearing To Approve Such Sale To The Highest And Best Bidder, (E) Approving The Manner And Extent Of Notice Of Such Auction And Sale Hearing, And (F) Granting Related Relief; And (Ii)(A) Approving*

*The Sale Of The Debtor's Real Property Free And Clear Of All Liens, Claims, And Encumbrances, And (B) Granting Related Relief* [Doc. No. 127] (the "Bidding Procedures Motion"), seeking approval of, among other things, procedures to determine the highest or otherwise best offer for the purchase of the Debtor's real property located at 180 Van Buren Street, Brooklyn, New York 11221 (the "Property").

On [•] 2025, the Court entered an order approving the Bidding Procedures Motion [Doc. No. [•]] (the "Bidding Procedures Order" and the procedures contemplated therein and herein, the "Bidding Procedures"). The Bidding Procedures set forth the process by which the Trustee is authorized to conduct an auction, if necessary, for the sale of the Property (the "Auction") to determine the successful and highest and best bidder.

A. **Relevant Dates.**

Bid Deadline: January 27, 2026 at 5:00 p.m. (Eastern Prevailing Time)

Auction: January 29, 2026 at 11:00 a.m. (Eastern Prevailing Time) (via Zoom)

Objection Deadline: January 30, 2026 at 4:00 p.m. (Eastern Prevailing Time)

Sale Hearing: February 3, 2026 at 10:00a.m. (Eastern Prevailing Time)

B. **The Sale.** The Sale of the Property is being conducted pursuant to sections 363(b), (d), (f), (k) and (m) and 105 of the Bankruptcy Code and is subject to the entry of a final non-appealable order of the Bankruptcy Court approving such sale (i.e., the Sale Order).

C. **The Auction.** The Auction will be held on January 29, 2026 at 11:00 a.m. ET, or such other date and time to be determined by the Trustee in consultation with MYC (the "Auction Date") and shall be conducted live virtually online via Zoom. All qualified bidders will be required to login to the Auction on the Auction Date via the Zoom link to be provided by MYC and the Trustee's counsel. MYC will make announcements for the Auction by posting the relevant details on MYC's website (<https://myccorp.com>) at least thirty (30) days prior to the scheduled Auction Date. Any additional information regarding the Sale of the Property may be obtained by contacting the Trustee's counsel or MYC. By participating in the Auction, all qualified bidders consent to the jurisdiction of the Court to resolve any disputes arising in the Chapter 11 Case.

- D. **Participation Requirements and Bid Deadline.** In order to be permitted to bid on the Property, no later than two (2) days prior to the Auction Date, each prospective bidder must mark up, sign and return the purchase and sale agreement under the same or substantially similar terms as the Stalking Horse Agreement and deliver it to MYC, together with a certified check or bank check made payable to that certain escrow agent retained by the Trustee and approved by the Court (the “Escrow Agent”) in the amount of \$300,000.00 (the “Qualifying Deposit”), which amount shall serve as a partial good faith deposit to be credited against payment of the purchase price, which shall be equal to the successful bid submitted at the Auction (the “Purchase Price”), by such competing prospective bidder (a “Qualified Bidder”). If there is no offer higher and/or better than the Stalking Horse Offer, as determined by the Trustee in his reasonable business judgment, the Stalking Horse Bidder will be deemed to be the Successful Bidder (defined below). Except as may be authorized by an Order of the Court, or otherwise described herein, neither the Trustee, his professionals, or the bankruptcy estate are liable or responsible for the payment of fees of any broker for any bidder.
- E. **Qualifying Deposits.** By delivering a Qualifying Deposit, each bidder acknowledges that it has had the opportunity to review the state of title of the Property and laws, rules and regulations applicable thereto, and will rely solely thereon and on its own independent investigation of the Property in making its bids. Neither the Trustee nor any of its professionals, including MYC, make any representations or warranties with respect to the permissible uses of the Property, including, but not limited to, the zoning of the Property. Each bidder acknowledges that it has conducted its own due diligence in connection with the Property and is not relying on any information provided by the Trustee and his professionals, including MYC. The Qualifying Deposit shall be held in escrow by the Court-approved Escrow Agent pursuant to the terms of this Motion, the Bidding Procedures Order, and the Stalking Horse Agreement.
- F. **Competing Bid and Overbids.** In order for any subsequent offer made by a Qualified Bidder to be considered a competing bid (a “Competing Bid”), a Competing Bid must provide for a purchase price of no less than \$6,200,000.00, which is \$200,000.00 greater than the Stalking Horse Offer (the “Initial Overbid”). For the avoidance of doubt, the Stalking Horse Offer and all Competing Bids will be subject to the Buyer’s Premium (defined below). In consultation with the Trustee, any subsequent bidding increments shall be subject to the discretion of MYC. Any Qualified Bidder submitting a Competing Bid must also demonstrate, to the sole satisfaction of the Trustee and Trustee’s counsel, evidence of its financial ability to close and consummate the Sale contemplated under the same or substantially similar terms of the Stalking Horse Agreement, without delay.
- G. **Break-Up Fee and Expense Reimbursement.** If the Stalking Horse Bidder is ultimately not the successful purchaser of the Property, the Trustee will provide the Break-Up Fee set forth in the Stalking Horse Agreement, which is only \$30,000.00, or approximately .5% of the Purchase Price. Other than this Break-Up Fee that is exclusively applicable to the Stalking Horse Bidder, no prospective bidder will be

entitled to any bidding fee, break-up fee, termination fee, transaction fee, expense reimbursement, or any similar type of reimbursement, and must agree to an express waiver of any substantial contribution administrative expense claim under section 503(b) of the Bankruptcy Code related to bidding for the Property.

- H. **Buyer's Premium.** The Auction of the Property will be subject to a buyer's premium (the "**Buyer's Premium**") in the amount of five percent (5%) of the Purchase Price. The Buyer's Premium shall be the sole commission due to MYC under the terms of the Bankruptcy Court's Order authorizing the retention of MYC as the Trustee's broker, subject to the Bankruptcy Court's approval of an application for compensation filed by MYC under sections 330 and 331 of the Bankruptcy Code, Bankruptcy Rule 2014, Local Rule 2014-1, the Guidelines for Fees and Disbursements for Professionals in the Eastern District of New York, dated June 4, 2013, and the United States Trustee Fee Guidelines. The Buyer's Premium shall be added to the final Purchase Price and payable by the Successful Bidder of the Property, and neither the Debtor's estate nor the Trustee shall be responsible to pay any portion of the Buyer's Premium owed to MYC.
  
- I. **Successful Bidder Selection.** The Trustee shall have the sole discretion to select the bidder to have made the highest and/or best bid for the purchase of the Property in accordance with the Bidding Procedures (the "**Successful Bidder**").
  
- J. **The Deposit.** Within 48 hours after the conclusion of the Auction, the Successful Bidder shall deliver to the Trustee by certified check or bank check made payable to the Escrow Agent retained by the Trustee and approved by the Court, an amount equal to 10% of the Purchase Price realized at the Auction, less the Qualifying Deposit (together with the Qualifying Deposit, the "**Deposit**"), plus the Buyer's Premium. The Buyer's Premium shall be deemed to have been earned immediately upon the conclusion of the Auction and is due within forty-eight (48) hours after the conclusion of the Auction. Failure of the Successful Bidder to tender the Deposit and the Buyer's Premium within 48 hours after conclusion of the Auction shall result in an immediate default under the terms of the Stalking Horse Agreement, or the Stalking Horse Agreement as modified, and shall result in the forfeiture of all earnest monies paid.
  
- K. **The Successful Bidder and Second Highest Bidder.** The Successful Bidder, and the Qualified Bidder who the Trustee determines to have made the second highest or best bid for the Property (the "**Second Highest Bidder**"), must execute, and thereby agree to be bound by the same or substantially similar terms of the Stalking Horse Agreement. At the conclusion of the Auction, the Trustee or MYC will return the Qualifying Deposits to all other bidders, except to the Successful Bidder and the Second Highest Bidder. The Second Highest Bidder's Qualifying Deposit shall be returned within five (5) business days from the date the Successful Bidder closes on the sale of the Property. If the Successful Bidder fails to consummate the Sale, the Second Highest Bidder will be deemed to be the new Successful Bidder, and the Trustee shall be authorized and directed to consummate the Sale with the Second Highest Bidder without further order of the Court.

- L. **The Closing.** The closing of the sale transaction (the “Closing”) contemplated by the Stalking Horse Agreement, or if the Successful Bidder is not the Stalking Horse Bidder, by the purchase and sale agreement under the same or substantially similar terms of the Stalking Horse Agreement, shall take place remotely at 11:00 a.m. (ET) on a date to be determined by the Trustee. The Closing shall occur within sixty (60) days following the date of entry of the Sale Order (the “Closing Date”), at which time the full Purchase Price shall be paid by the Successful Bidder. **TIME BEING OF THE ESSENCE as to the Successful Bidder or the Second Highest Bidder, as the case may be,** although the Closing Date may be extended solely by the Trustee at his option and discretion, and upon such additional terms as the Trustee deems appropriate. Prior to the Closing, the Court must enter an Order approving the results of the Sale.
- M. **Reservation of Rights.** The Trustee reserves his right to withdraw the Property from the Sale, either prior to or subsequent to the Sale, for any reason whatsoever, as he deems necessary or appropriate, notice of which will be filed on the electronic case docket in the Chapter 11 Case. Nothing contained in these Bidding Procedures is intended to supersede or alter any provisions of the Bankruptcy Code or otherwise interfere with the jurisdiction of the Court. All the terms and conditions set forth in these Bidding Procedures are subject to modification as may be directed by the Trustee or by the Court. The Trustee reserves the right to modify these Bidding Procedures at the Auction or thereafter to maintain consistency with the provisions of the Bankruptcy Code and/or prior orders of the Court, notice of which will be filed on the electronic case docket in the Chapter 11 Case.
- N. **Sale Approval Requirements.** The Sale of the Property is subject to approval by the Trustee and the Bankruptcy Court. The Trustee or the Trustee’s counsel shall notify the Successful Bidder whether the Sale is approved. Any disputes concerning the Sale of the Property shall be determined by the Bankruptcy Court. The Successful Bidder or the Second Highest Bidder, as the case may be, agrees to cooperate with the Trustee and his retained professionals in obtaining Bankruptcy Code Section 363(m) protections in the Sale Order by submitting an appropriate affidavit as to the required elements of that statute. If the Successful Bidder or the Second Highest Bidder, as the case may be, fails to qualify for such a finding by the Bankruptcy Court, the Successful Bidder, or the Second Highest Bidder, as the case may be, shall nonetheless be required to close without those protections.
- O. **No Representations or Warranties.** The Trustee and his professionals, including MYC, have not made, and do not make, any representations or warranties of any kind, including, but not limited to, as to the physical condition, expenses, operations, rents, value of the land or buildings thereon, 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 current or future real estate tax liability, assessment or valuation of the Property; (b) the potential qualification of the Property for any and all benefits conferred by or available under federal, state or municipal laws, whether for subsidies, special real estate tax treatment, insurance, mortgages, or any other benefits,

whether similar or dissimilar to those enumerated; (c) the compliance or non-compliance of the Property, in its current or any future state, with applicable present or future zoning ordinances or other land use law or regulation, or the ability to obtain a change in the zoning or use, or a variance in respect to the Property; (d) the availability of any financing for the purchase, alteration, rehabilitation or operation of the Property from any source, including, but not limited to, any state, city or federal government or institutional lender; (e) the current or future use of the Property; (f) the present and future condition and operating state of any and all machinery or equipment on the Property and the present or future structural and physical condition of any building thereon or its suitability for rehabilitation or renovation; (g) the ownership or state of title of any personal property on the Property; (h) the presence or absence of any laws, ordinances, rules or regulations issued by any governmental authority, agency or board and any violations thereof; (i) any present or future issues concerning subdivision or non-subdivision of the Property; or (j) the compliance or non-compliance with environmental laws and the presence or absence of underground fuel storage tanks, any asbestos or other hazardous materials anywhere on the Property. Each bidder hereby expressly agrees and acknowledges that no such representations or warranties have been made. The Trustee and its 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 Trustee unless such warranties, guaranties, promises, statements, representations or information are expressly and specifically set forth in writing by the Trustee.

- P. **Bidder Representations and Warranties.** Each Qualified Bidder represents and warrants that it is capable of performing its obligations under these Bidding Procedures and has the financial wherewithal to perform its obligations under these Bidding Procedures. Each bidder represents and warrants that it has no connections to the Debtor, its board of trustees, or the Trustee's professionals and that it has never been affiliated in any manner whatsoever, or held any interest in, the Debtor.
- Q. **"AS IS", "WHERE IS", "WITH ALL FAULTS".** 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 free and clear of all Violations, Past Due Bills, Open Taxes (subject to any adjustments at the time of the Closing), Liens of whatever kind or nature, 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; (d) any building or zoning ordinances or other applicable municipal regulations and violations thereof; (e) environmental conditions; and (f) subject to all deed restrictions. By delivering their respective Qualifying Deposits, all bidders acknowledge that they have 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 their own independent investigations and inspections of the Property in making their bids. All Qualified Bidders acknowledge that they have conducted their own due diligence in connection with the Property and are not relying on any information provided by the Trustee, MYC, the Trustee's counsel, or any other of the Trustee's retained professionals.

- R. **Title**. The Trustee 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 Trustee may, at his sole discretion, arrange for the issuance of a title insurance policy by such a company at the Successful Bidder's sole cost and expense. If the Trustee is unable to deliver title to the Property in accordance with these Bidding Procedures for any reason whatsoever, its only obligation will be to refund the Deposit to the Successful Bidder (or the Second Highest Bidder) and, upon such refund, the Successful Bidder (or the Second Highest Bidder) shall not have any claim or recourse whatsoever against Property, the Trustee, the Debtor's estate, or the Trustee's professionals.
- S. **Tenancies and Transient Users**. The Trustee shall deliver the Property free and clear of all tenancies and transient users at the time of the Closing.
- T. **Notices**. Any notices to the Successful Bidder, Second Highest Bidder or the Trustee hereunder shall be sufficient if sent by email to: (a) counsel for such party; or (b) to such party, and shall be deemed given on the date sent.
- U. **Signatures**. Signatures delivered by electronic mail or facsimile shall have the same force and effect as original signatures.
- V. **By making a bid for the Property, all bidders shall be deemed to have acknowledged having read, and understand, these Bidding Procedures and have agreed to be bound by them. These Bidding Procedures will be read into the record, or specifically incorporated by reference, at the Sale of the Property.**