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and Debtor in Possession***UNITED STATES BANKRUPTCY COURT****NORTHERN DISTRICT OF CALIFORNIA****OAKLAND DIVISION**

In re:

THE ROMAN CATHOLIC BISHOP OF
OAKLAND, a California corporation sole,

Debtor.

Case No. 23-40523 WJL

Chapter 11

**DEBTOR'S MOTION FOR ENTRY OF AN
ORDER APPROVING SALE OF REAL
PROPERTY
(1834 San Antonio Avenue)**

Judge: Hon. William J. Lafferty

Date: TBD

Time: TBD

Place: United States Bankruptcy Court
1300 Clay Street
Courtroom 220
Oakland, CA 94612

[Shortened Time Requested]



1 The Roman Catholic Bishop of Oakland, a California corporation sole and the debtor and debtor
2 in possession (the “Debtor” or “RCBO”) in the above-captioned chapter 11 bankruptcy case (the “Chapter
3 11 Case” or the “Bankruptcy Case”), hereby files this motion (the “Motion”) pursuant to sections 105(a)
4 and 363 of title 11 of the United States Code (the “Bankruptcy Code”) for entry of an order substantially
5 in the form attached hereto as **Exhibit A** (the “Proposed Order”) authorizing the Debtor’s sale of certain
6 real property commonly known as 1834 San Antonio Avenue, Alameda, California (the “1834 House”)
7 consistent with the terms described herein, approving payment of broker commission and related sale
8 expenses, and granting related relief.

9 This Motion is based on the Memorandum of Points and Authorities set forth herein, the notice of
10 hearing on the Motion, the Declarations of Attila Bardos (the “Bardos Declaration”) and Jill Friedrich the
11 (“Friedrich Declaration”) in Support of the Motion, and such other evidence, oral or documentary, as may
12 be presented to this Court at or prior to the hearing on this Motion.

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28 DEBTOR’S MOTION FOR SALE OF REAL PROPERTY (1834 SAN ANTONIO)

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I.

INTRODUCTION

The Debtor seeks Court approval for the first of what it anticipates will be a number of sales of real estate assets over the coming months. This is an extremely straightforward sale of a single-family home located in Alameda, California to an unrelated third-party buyer. The proposed sale price is \$1,860,000, an amount substantially above the appraised value. This value was achieved as the result of a diligent and thorough marketing process by an experienced local broker team. Following these marketing efforts and a call for highest and best offers, the Debtor received a total of nine offers from potential buyers. Through the efforts of the Debtor's brokers to further negotiate up the offers, the highest offer was increased by a further \$500,000 to the final sale price of \$1.86 million.

The Debtor has been clear to all parties regarding its cash situation, which is primarily the result of professional fees incurred in the case, as well as the need to fund any confirmed plan. The Debtor has also been clear that its only material remaining source of cash is from sale of real property. The sale contemplated by this Motion is a prudent exercise of the Debtor's business judgment to generate much needed cash to pay administrative expenses. Based on the marketing process undertaken, the resulting sale price, and the Debtor's need for cash, there can be no question that the relief requested in the Motion is in the best interests of the Debtor, its creditors, and its estate.¹

II.

JURISDICTION AND VENUE

This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b), the *Order Referring Bankruptcy Cases and Proceedings to Bankruptcy Judges*, General Order No. 24 (N.D. Cal.), and Local Rule of Bankruptcy Procedure for the Northern District of California 5011-1(a). Venue for this matter is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409.

¹ At the time of filing of this Motion, there is pending December 10, 2025 deadline for filing of a settlement term sheet for a further amended plan. If there is not sufficient settlement progress and this deadline cannot be met, the case will be dismissed. In that event, the Motion will be moot, as Court approval will no longer be needed for the sale. The Debtor files the Motion now, however, because the relief requested will be essential in the event the case is not dismissed following the December 10 term sheet deadline.

1 The legal bases for the relief requested herein are Bankruptcy Code §§ 105(a) and 363 and
2 Bankruptcy Rules 6004 and 9014.

3 III.

4 BACKGROUND FACTS

5 A. General Background

6 On May 8, 2023 (the “Petition Date”), the Debtor filed a voluntary petition for chapter 11
7 bankruptcy relief under the Bankruptcy Code. The Debtor continues to operate its ministry and manage
8 its properties as a debtor in possession under sections 1107(a) and 1108 of the Bankruptcy Code. No
9 trustee has been appointed in this Chapter 11 Case.

10 On May 23, 2023, the U.S. Trustee appointed the Official Committee of Unsecured Creditors (the
11 “Committee”).

12 The Debtor is a corporation sole organized under the laws of the State of California. The Debtor
13 conducts its civil affairs under the laws of the State of California and the United States of America and in
14 accordance with the Code of Canon Law, the ecclesiastical law of the Roman Catholic Church. Additional
15 information regarding the Debtor, its mission, ministries, and operations, and the events and circumstances
16 preceding the Petition Date, is set forth in the *Declaration of Charles Moore, Managing Director of*
17 *Alvarez & Marsal North America, LLC, Proposed Restructuring Advisor to the Roman Catholic Bishop*
18 *of Oakland, in Support of Chapter 11 Petition and First Day Pleadings* (the “First Day Declaration”)
19 [Docket No. 19], which is incorporated herein by reference. Further information regarding the Debtor and
20 the Chapter 11 Case is found in the Debtor’s *Third Amended Disclosure Statement* on April 3, 2025
21 [Docket No. 1874] (the “Third Amended Disclosure Statement”).

22 B. The 1834 House and Proposed Sale

23 RCBO is the fee simple owner of the 1843 House, which is a single-family residence located at
24 1834 San Antonio Avenue, in Alameda, California, APN Number 71-273-1. *See* Bardos Decl., ¶ 3. The
25 1834 House was previously used by the St. Joseph Basilica Parish in Alameda in connection with its
26 ministry. *See id.* It is not currently occupied. *See id.*

1 The 1834 House was appraised by both the Debtor's and the Committee's real estate experts in
2 June 2025.² See Bardos Decl., ¶ 4. The Debtor's appraiser, Hilco Real Estate Appraisal, LLC, appraised
3 the as-is market value of the 1834 House as \$1,200,000.³ See id. The Debtor does not have any debt
4 secured by the 1834 House, and there are no liens recorded against the 1834 House. See id.

5 RCBO has entered into a contract, subject to Bankruptcy Court approval, with buyers Jeffrey Muya
6 and Cynthia Muya (the "Buyers") for sale of the 1834 House based on the highest offer received by RCBO
7 after the extensive marketing effort described below. See Bardos Decl., ¶ 5. A copy of the signed
8 California Residential Purchase Agreement and Joint Escrow Instructions (including all addenda thereto,
9 the "Sale Contract") is attached as Exhibit A to the Bardos Declaration. The Sale Contract is expressly
10 subject to court approval as reflected on the California Association of Realtors standard form Court
11 Confirmation Addendum. See Bardos Decl, Ex. A. The Buyers have no prior relationship to the Debtor.
12 See Bardos Decl., ¶ 6.

13 As set forth in the Sale Contract, the purchase price to be paid by the Buyers for the 1834 House
14 is \$1,860,000, with a deposit of \$55,800.00. See Bardos Decl, Ex. A. The Sale Contract provides for
15 close of escrow within 24 days of acceptance, or December 27, 2025. See id. The Buyers have waived
16 any and all buyer contingencies as reflected on the California Association of Realtors standard form Buyer
17 Contingency Removal. See id. The Buyers have also provided proof of funds and loan approval
18 satisfactory to RCBO. See Bardos Decl., ¶ 7.

19 Costs of sale to be paid at closing will include broker fees totaling 4.5%, transfer taxes, and
20 standard escrow fees and costs. See Bardos Decl., ¶ 8. The Debtor's broker, Friedrich Homes Group, a
21 part of the Compass brokerage network ("Friedrich Homes") has agreed to accept a discounted broker fee
22 as seller's broker of two percent (2%). See Friedrich Decl., Ex. A. The Buyer's broker fee, which will be
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26 ² The appraised value provided the Committee's expert is not provided here, because the report was
designated as confidential. The sale price does, however, significantly exceed the appraised value.

27 ³ It should be noted that the appraisal was conducted prior to the repairs and cosmetic upgrades described
28 in connection with the marketing process below. This work contributed to obtaining a sale price significant
above the appraised amount.

deducted from the purchase price at closing, is 2.5%. *See* Bardos Decl, Ex. A. Pursuant to the Sale Contract transfer taxes will be split between Buyers and the Debtor, which is standard in Alameda. *See id.*

An estimated closing statement is not yet available from escrow. The Debtor will file a supplement to the Motion with the estimated seller's closing statement as soon as it is available, which is anticipated to be within the next week.

C. The Debtor's Marketing Process

The 1834 House was extensively marketed by Friedrich Homes in order to maximize value and obtain the best price. The principals of Friedrich Homes, Jill Friedrich and Jane Friedrich, collectively have more than forty years' experience in selling residential and income property in the Bay Area. *See* Friedrich Decl., ¶ 2.

After initially viewing the house 1834 House, Friedrich Homes recommended that RCBO conduct various repairs and maintenance and make certain cosmetic upgrades to maximize the value. This included painting, kitchen and bathroom upgrades, lighting upgrades, fencing repairs, landscaping, other minor repairs and updates, and staging. The total cost for this work was \$88,009.89.⁴ *See* Friedrich Decl., ¶ 4.

Once repairs and upgrades were completed, Friedrich Homes undertook a comprehensive marketing campaign, designed to maximize the sale price based on their extensive experience in the market. *See* Friedrich Decl., ¶ 5. This included a webpage with professional staged photos and walkthrough video, multiple email marketing blasts through various platforms designed to reach active brokers in the market, social media campaigns on all major social media platforms, and multiple open houses, in addition to MLS listing. *See id.*, ¶ 5-11.

Through the marketing campaign, Friedrich Homes requested that offers be submitted no later than Tuesday, December 2, 2025. *See* Friedrich Decl., ¶ 13. The brokers specifically communicated to potential buyers that expected multiple offers were expected, and that potential buyers should submit their highest and best bids, based on the expectation that the highest offer received on that date would be selected, without further opportunity to bid. *See id.*

⁴ These expenses were paid by the Debtor in the ordinary course of business, and therefore will not come out of closing.

1 As a result of the marketing efforts described above, RCBO initially received eight offers for the
2 1834 House, with a high offer of \$1,810,000. *See* Friedrich Decl., ¶ 14. Following receipt of the initial
3 offers, Friedrich Homes communicated with potential buyers to seek increased offers. *See id.* As a result
4 of these communications, three potential buyers increased their offers. RCBO also received one additional
5 offer, for a total of nine. *See id.* The nine best and final offers are summarized on the spreadsheet attached
6 as Exhibit D to the Friedrich Declaration. *See id.* The offers ranged from \$1,300,000 on the low end, to
7 the highest offer of \$1,860,000. *See id.* The highest offer, from the Buyers, was accepted by RCBO,
8 subject to bankruptcy court approval, on December 3, 2025. *See id.*

9 Based on the experience of the Debtor's broker, the marketing and sale plan summarized above
10 and described in more detail in the Friedrich Declaration was structured as the best way to fully expose
11 the 1834 House to the market and obtain the highest and best sale price.

12 **D. The Debtor's Need for Liquidity and Anticipated Use of Proceeds**

13 As the Court is aware, RCBO has incurred considerable administrative expenses in this case, which
14 are ongoing, and which the Debtor does not have available unrestricted cash to sustain. *See* Bardos Decl.,
15 ¶ 9. As set forth in the Debtor's *Motion to Amend Interim Compensation Procedures* [Docket No. 1908],
16 the Debtor's Reply in support of the same [Docket No. 2013], the Debtor's motion to continue the
17 confirmation hearing [Docket No. 2147], and the Debtor's motion to dismiss the Chapter 11 case [Docket
18 No. 2293], professional fees have increased well beyond the Debtor's original forecast in this case due to
19 the length and current posture of the case. While the Debtor obtained critical short-term liquidity of
20 approximately \$3.2 million from its transaction with Catholic Church Support Services, approved by the
21 Court in September 2025 [Docket No. 2323], those funds have been or will be required to pay the
22 professional fees reflected in the sixth and seventh round of interim fee applications, including the hold-
23 back amounts that will be payable after entry of an order following the interim fee application hearing
24 held on December 3, 2025. *See* Bardos Decl., ¶ 10.

25 The Debtor has made a decision in good faith and with reasonable care that in its business judgment
26 the requested relief herein – to approve sale of the 1834 House to the Buyers pursuant to the Sale Contract
27 – is in the best interests of the Debtor and its estate. *See* Bardos Decl., ¶ 11. The net proceeds of sale are
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urgently needed for, and will be used for, payment of administrative expenses, including without limitation ordinary course operational expenses including the Debtor's payroll, and the substantial professional fees holdbacks recently approved by the Court. *See id.*

IV.

RELIEF REQUESTED

By this Motion, and pursuant to section 363(b)(1) of the Bankruptcy Code, the Debtor, after notice and a hearing, seeks approval for sale of the 1834 House to the Buyers pursuant to the Sale Contract. The Debtor further seeks approval for sale free and clear of any liens, claims, or interests pursuant to section 363(f), and a finding that the Buyer's purchased the 1834 House in good faith pursuant to section 363(m).

V.

BASIS FOR RELIEF

A. The Sale Reflects the Debtors' Sound Business Judgment and Satisfies the Requirements under Section 363(b).

Section 363(b)(1) of the Bankruptcy Code provides, in relevant part, that a debtor in possession, "after notice and a hearing, may use, sell, or lease, other than in the ordinary course of business, property of the estate." 11 U.S.C. § 363(b)(1). Section 363 of the Bankruptcy Code does not set forth a standard for determining when it is appropriate for a court to authorize the sale or disposition of a debtor's assets prior to confirmation of a plan. However, courts throughout the country have required that the decision to sell assets outside the ordinary course of business be based upon the sound business judgment of the debtors. *See In re Ernst Home Centers, Inc.*, 209 B.R. 974, 979 (Bankr. W.D. Wash. 1997); see also *In re Abbotts Dairies of Pennsylvania, Inc.*, 788 F.2d 143 (3d Cir. 1986); see also *Myers v. Martin (In re Martin)*, 91 F.3d 389, 395 (3d Cir. 1996); *Comm. of Equity Sec. Holders v. Lionel Corp. (In re Lionel Corp.)*, 722 F.2d 1063, 1071 (2d Cir. 1983); *In re Catalina Sea Ranch, LLC*, No. 2:19-BK-24467-NB, 2020 WL 1900308, at *6 (Bankr. C.D. Cal. Apr. 13, 2020) (citing *In re Lionel Corp* in finding sufficient business justification for the sale of most of the debtor's assets); see also *In re Walter*, 83 B.R. 14, 19–20 (B.A.P. 9th Cir. 1988) (citing *In re Lionel Corp*, 722 F.2d at 1071) (implicitly adopting the "sound business justification" test in finding that the debtor "did not show that it would be an exercise of good business judgment" to withdraw estate funds for personal use).

1 When evaluating a debtor's decision to divest one of its assets, the court should "presume that the
2 debtor-in-possession acted prudently, on an informed basis, in good faith, and in the honest belief that the
3 action taken was in the best interests of the bankruptcy estate." *Agarawal v. Pomona Valley Med. Group,*
4 *Inc. (In re Pomona Valley Med. Group, Inc.),* 476 F.3d 665, 670 (9th Cir. 2007) (collecting cases). Courts
5 have applied the business judgment rule to approve debtors' decisions in numerous aspects of bankruptcy
6 cases, including sales. *See e.g.,* Order Authorizing the Sale of Debtors' Assets to Purchaser Free and Clear
7 of Liens, Claims, Interests, and other Interests et al., *In re Beverly Community Hospital Ass'n*, No. 2:23-
8 bk-12359-SK (Bank. C.D. Cal. Aug. 2023) (applying business judgment rule in granting debtor's motion
9 for an order approving sale of assets).

10 A debtor's showing of a sound business purpose need not be unduly exhaustive but, rather, a debtor
11 is "simply required to justify the proposed disposition with sound business reasons." *In re Baldwin United*
12 *Corp.*, 43 B.R. 888, 906 (Bankr. S.D. Ohio 1984). Whether or not there are sufficient business reasons to
13 justify a transaction depends upon the facts and circumstances of each case. *Lionel*, 722 F.2d at 1071; *In*
14 *re Montgomery Ward Holding Corp.*, 242 B.R. 147, 155 (D. Del. 1999) (approving funding of employee
15 incentive and severance program; business purpose requirement fulfilled because stabilizing turnover rate
16 and increasing morale were necessary to successful reorganization).

17 The demonstration of a valid business justification by a debtor leads to a strong presumption "that
18 in making [the] business decision the directors of a corporation acted on an informed basis, in good faith
19 and in the honest belief that the action taken was in the best interests of the company." *See In re AWTR*
20 *Liquidation Inc.*, 548 B.R. 300, 313 (Bankr. C.D. Cal. 2016) (citing *Gantler v. Stephens*, 965 A.2d 695,
21 705–06 (Del. 2009). *See also In re Pomona Valley Med. Grp., Inc.*, 476 F.3d 665, 670 (9th Cir. 2007)
22 (applying the business judgment rule in the context of a debtor's decision to reject an executory contract).

23 The analysis of whether there is a sound business justification for the sale does not change if the
24 proposed sale is private, rather than public. *See, e.g., In re Ancor Expl. Co.*, 30 B.R. 802, 808 (N.D. Okla.
25 1983) ("[T]he bankruptcy court should have wide latitude in approving even a private sale of all or
26 substantially all of the estate assets not in the ordinary course of business under § 363(b)."). The trustee
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1 has ample discretion to administer the estate, including authority to conduct public or private sales of
2 estate property. *See In re Canyon P'ship*, 55 B.R. 520, 524 (Bankr. S.D. Cal. 1985).

3 For example, the bankruptcy court in *In re MF Global, Inc.*, 535 B.R. 596 (Bankr. S.D.N.Y. 2015)
4 approved a private sale of assets under the business judgment standard where only a single purchaser
5 expressed interest in purchasing the assets and it was familiar with the rights which it would be assigned.
6 *Id.* at 606–08. The trustee also demonstrated, among other things, that the interested parties received
7 adequate and reasonable notice and both parties to the sale proceeded in good faith. *Id.* at 606.
8 Consequently, the court found that the trustee and debtor had presented “uncontroverted evidence” that
9 the private sale “reflects the appropriate exercise of their sound business judgment” where the agreement
10 was negotiated extensively, no party objected to the proposed sale, and there was no dispute about the
11 adequacy of the consideration. *Id.* at 608.

12 The Debtor submits that more than ample business justification exists to sell the 1834 House to
13 the Buyers. The Debtor believes that the marketing process undertaken by Friedrich Homes has yielded
14 the highest and best offer for the 1834 House, an offer which is approximately \$650,000 more than the
15 appraised value provided to the Debtor by Hilco. *See Bardos Decl.*, ¶ 12. Because there are no liens, the
16 Debtor’s estate will receive the full value after costs of sale. As set forth above, these funds are essential
17 to fund ongoing administrative expenses and in particular professional fees. *See id.* Thus, the relief sought
18 herein is not only reasonable, but necessary, to maximize the value of the Debtor’s estate for the benefit
19 of its stakeholders.

20 The marketing process undertaken by Friedrich Homes was designed to maximize visibility to the
21 market and reach any potentially interested home buyers. There can be no question that this process
22 provided adequate notice to the market of the opportunity to submit offers. Moreover, under the
23 circumstances, the marketing process maximized the value received for the 1834 House. Friedrich
24 Homes’s process subjected the clue of the 1834 House to a thorough market test, resulting in multiple
25 offers from buyers who were encouraged to submit their highest and best offers. After further
26 negotiations, several offers were further increased, increasing the amount of the highest offer by an
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1 additional \$500,000. Accordingly, the Debtor, creditors, all parties in interest, and the Court can be
2 assured that the consideration received for the 1834 House is fair and reasonable.

3 As part of approval of the sale, the Debtor seeks authorization for payment of standard broker fees,
4 transfer taxes, and other closing costs from escrow. These are a standard and routine expenses of any
5 similar sale of residential real property, and necessary and appropriate to realizing the value of the sale.
6 As noted above, the Debtor's brokers have agreed to discount their fee to two percent (2%).⁵

7 **B. Approval of the Motion without an Auction is Appropriate Here.**

8 Section 363 of the Bankruptcy Code does not require that all sales be conducted pursuant to
9 competitive bidding procedures and public auctions. Bankruptcy Rule 6004(f) specifically authorizes
10 private sales: "All sales not in the ordinary course of business may be by private sale or by public auction."
11 Fed. R. Bankr. P. 6004(f)(1). Courts generally afford debtors in possession broad discretion in
12 determining the manner in which estate property is sold. *See, e.g., In re Bakalis*, 220 B.R. 525, 531 (Bankr.
13 E.D.N.Y. 1998). Private sales by a debtor outside of the ordinary course of business are appropriate where
14 the debtor demonstrates that the sale is permissible pursuant to section 363 of the Bankruptcy Code. *See*
15 *In re Stephens Indus., Inc.*, 789 F.2d 386, 390 (6th Cir. 1986) (holding a debtor may sell property via
16 private sale "when a sound business purpose dictates such action); *In re Schipper*, 933 F.2d 513 (7th Cir.
17 1991) (approving private real estate sale by debtor when purchase price was the same as independent
18 appraisal); *In re Blue Coal Corp.*, 67 B.R. 798 (Bankr. M.D. Penn. 1986) (permitting the private sale of
19 certain of the debtor's assets); *see also In re Blue Coal Corp.*, 168 B.R. 553, 564 (Bankr. M.D. Penn.
20 1994) ("[A] larger measure of discretion is available to the court in considering whether a private bid
21 should be approved or confirmed.").⁶

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25 ⁵ The Debtor submits that approval of a standard broker fee in connection with sale is appropriate as a use
26 of property of the estate outside the ordinary course of business pursuant to section 363(b)(1). To the
27 extent necessary, however, the Debtor requests that the Court alternatively approve the broker fee pursuant
28 to sections 327, 328, and 330 of the Bankruptcy Code.

⁶ This is not truly a private sale, in the sense that the sale is the result of extensive marketing and a public
request for submission of bids. Nevertheless, this case law supports the appropriateness of approval of the
sale without a further auction process or opportunity for overbid at the hearing.

1 Particularly in light of the fact that a competitive bidding process designed to maximize bids was
2 in fact conducted by Friedrich Homes, the Debtor submits that not further auction or bidding is needed.
3 There is ample business justification here to approve the sale without conducting a formal auction process
4 before the Court. The 1834 House was already marketed as broadly as possible to interested potential
5 buyers, and those buyers were encouraged to submit their highest and best offers. After offers were
6 received, the brokers further communicated with bidders seeking increased offers, resulting in bidding up
7 of the highest offer by an additional \$500,000, to the Sale Contract price of \$1.86 million. The Debtor's
8 estate and creditors will benefit from the approval of the Motion and Sale Contract without the added
9 delay, energy, and expenses associated with an auction process is unlikely to accomplish any further
10 increase and could jeopardize the sale to the Buyers.

11 **C. The Sale Satisfies the Requirements of Section 363(f) of the Bankruptcy Code**

12 Under section 363(f) of the Bankruptcy Code, a debtor-in-possession may sell all or any part of its
13 property free and clear of any and all liens, claims or interests in such property if: (i) such a sale is
14 permitted under applicable non-bankruptcy law; (ii) the party asserting such a lien, claim or interest
15 consents to such sale; (iii) the interest is a lien and the purchase price for the property is greater than the
16 aggregate amount of all liens on the property; (iv) the interest is the subject of a bona fide dispute; or
17 (v) the party asserting the lien, claim or interest could be compelled, in a legal or equitable proceeding, to
18 accept a money satisfaction for such interest. 11 U.S.C. § 363(f); *Citicorp Homeowners Serv., Inc. v.*
19 *Elliot (In re Elliot)*, 94 B.R. 343, 345 (E.D. Pa. 1988) (noting that section 363(f) of the Bankruptcy Code
20 is written in the disjunctive; therefore, a court may approve a sale "free and clear" provided at least one
21 of the subsections is met). Because the Debtor expects that it will satisfy, at minimum, the first, third, and
22 fifth of these requirements, if not others as well, approving the sale of the 1834 House free and clear of all
23 adverse interests of any party receiving notice of the Motion is warranted. Furthermore, courts have held
24 that they have the equitable power to authorize sales free and clear of interests that are not specifically
25 covered by section 363(f)(1). *See, e.g., In re Trans World Airlines, Inc.*, 2001 WL 1820325 at *3, 6
26 (Bankr. D. Del. March 27, 2001); *Volvo White Truck Corp. v. Chambersburg Beverage, Inc. (In re White*
27 *Motor Credit Corp.)*, 75 B.R. 944, 948 (Bankr, N.D. Ohio 1987).

1 There are no known liens on or interests in the 1834 House. To the extent there are any other claims
2 against the Debtor with respect to the Property, such claims are capable of satisfaction through the
3 payment of money. The Debtor reserves the right to provide additional arguments and authority in respect
4 of any secured claim asserted, including in the event of an objection to this Motion.

5 **D. The Sale is Proposed in Good Faith Under Section 363(m) of the Bankruptcy Code**

6 The Debtor requests that the Court find that the Buyers are entitled to the benefits and protections
7 provided by section 363(m) of the Bankruptcy Code in connection with the Sale. Section 363(m) of the
8 Bankruptcy Code provides, in pertinent part:

9 The reversal or modification on appeal of an authorization under subsection
10 (b) . . . of this section of a sale... of property does not affect the validity of
11 a sale . . . , under such authorization to an entity that purchased . . . such
12 property in good faith, whether or not such entity knew of the pendency of
the appeal, unless such authorization and such sale . . . were stayed pending
appeal.

13 11 U.S.C. § 363(m).

14 Section 363(m) of the Bankruptcy Code thus protects the purchaser of assets sold pursuant to
15 section 363 of the Bankruptcy Code from the risk that it will lose its interest in the purchased assets if the
16 order allowing the sale is reversed on appeal. By its terms, section 363(m) of the Bankruptcy Code applies
17 to sales of interests in tangible assets, such as the Purchased Assets.

18 The Debtor submits, and will present evidence at the sale hearing, if necessary, that as set forth
19 above, the Buyers' offer was a negotiated, arm's-length transaction between two separate and independent
20 parties, in which both the Buyers and the Debtor acted in good faith. *See* Bardos Decl., ¶ 13. Accordingly,
21 the Debtor requests that the Court make the finding that the Buyers have purchased the Assets in good
22 faith within the meaning of section 363(m) of the Bankruptcy Code.

23 **E. Relief From the Fourteen Day Waiting Period Under Bankruptcy Rule 6004(h) is**
24 **Appropriate**

25 Bankruptcy Rule 6004(h) provides that an "order authorizing the use, sale, or lease of property . . .
26 is stayed until the expiration of 14 days after entry of the order, unless the court orders otherwise." The
27
28

Debtor requests that the sale order be effective immediately by providing that the 14 day stay under Bankruptcy Rule 6004(h) is waived.

The purpose of Bankruptcy Rule 6004(h) is to provide sufficient time for an objecting party to appeal before an order can be implemented. *See* Advisory Committee Notes to Fed. R. Bankr. P. 6004(h). Although Bankruptcy Rule 6004(h) and the Advisory Committee Notes are silent as to when a court should “order otherwise” and eliminate or reduce the 14-day stay period, *Collier on Bankruptcy* suggests that the stay period should be eliminated to allow a sale or other transaction to close immediately “where there has been no objection to the procedure.” 10 *Collier on Bankruptcy* 15th Ed. Rev., 16064.09 (L. King, 15th rev. ed. 1988). Furthermore, *Collier’s* provides that if an objection is filed and overruled, and the objecting party informs the court of its intent to appeal, the stay may be reduced to the amount of time actually necessary to file such appeal. *Id.*

As described above, time is of the essence, based on both the Debtor’s need for cash, and the 24-day deadline for close of escrow. Since closing of the sale promptly is of critical importance, the Debtor hereby requests that the Court waive the 14 day stay period under Bankruptcy Rule 6004(h), such that any sale order entered by the Court shall be effective immediately upon entry.

VI.

CONCLUSION

WHEREFORE, the Debtor requests the Court grant the Motion, enter the Proposed Order and grant any other relief as is necessary and proper under the circumstances.

DATED: December 5, 2025

FOLEY & LARDNER LLP

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Shane J. Moses
Ann Marie Uetz
Matthew D. Lee
Mark C. Moore

/s/ Shane J. Moses

Shane J. Moses

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EXHIBIT A

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**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
OAKLAND DIVISION**

In re:

THE ROMAN CATHOLIC BISHOP OF
OAKLAND, a California corporation sole,

Debtor.

Case No. 23-40523 WJL

Chapter 11

**[PROPOSED] ORDER APPROVING SALE OF
REAL PROPERTY
(1834 San Antonio Avenue)**

Judge: Hon. William J. Lafferty

Date: TBD

Time: TBD

Place: United States Bankruptcy Court
1300 Clay Street
Courtroom 220
Oakland, CA 94612

The *Debtor's Motion For Entry of an Order Approving Sale of Real Property*
(1834 San Antonio Avenue), filed on December 5, 2025 [Docket No. ____] (the "Motion"), filed by The
Roman Catholic Bishop of Oakland, a California corporation sole, and the debtor and debtor in possession
(the "Debtor") in the above-captioned chapter 11 bankruptcy case (the "Chapter 11 Case"), seeking an
order (1) authorizing the Debtor to enter into that certain California Residential Purchase Agreement and
Joint Escrow Instructions, dated December 3, 2025 (including all addenda thereto, the "Sale Contract"),

ORDER APPROVING SALE OF REAL PROPERTY (1834 SAN ANTONIO)

1 by and between Jeffrey Muya and Cynthia Muya as buyers (the “Buyers”) and the Debtor as seller, a copy
2 of which is attached as Exhibit A to the declarations of Attila Bardo in support of the Motion (the “Bardos
3 Declaration”), for sale of certain real property commonly known as 1834 San Antonio Avenue, Alameda,
4 California (the “1834 San Antonio House”), (2) approving payment of broker commission and costs of
5 sale; and (3) granting related relief came before the Court for hearing at the above-captioned date and
6 time. The Court having reviewed and considered the Motion and notice thereof, the declarations in support
7 thereof, all other pleadings documents filed in support of or opposition to the Motion, and the arguments
8 of counsel at the hearing on the Motion,

9 **THE COURT FINDS THAT:**

10 A. Notice of the Motion was reasonable, sufficient, and adequate under the circumstances.

11 B. The Buyers have acted in good faith and are entitled to the protections of Section 363(m)
12 of the Bankruptcy Code.

13 C. The Court has jurisdiction over the Motion and venue is proper before this Court.

14 Based on the foregoing and the Court’s findings of fact and conclusions of law stated orally on the
15 record, and good cause appearing therefore,

16 **IT IS HEREBY ORDERED THAT:**

17 1. The Motion is granted.

18 2. Sale of the 1834 San Antonio House to the Buyers is approved as the highest and best offer.

19 3. The Debtor is authorized pursuant to 11 U.S.C. § 363(b)(1) to sell the 1834 San Antonio
20 House to the Buyers for the purchase price of \$1,860,000, and accordance with the terms and conditions
21 of the Sale Contract, a copy of which is attached as Exhibit A to the Bardos Declaration.

22 4. Pursuant to Section 363(f) of the Bankruptcy Code, effective upon closing, the sale of the
23 1834 San Antonio House will vest in the Buyers all right, title and interest of the Debtor and the bankruptcy
24 estate in the 1834 San Antonio House, free and clear of the liens, claims or interests listed of any parties
25 receiving notice of the Motion (collectively, the “Affected Interests”). Unless the holders of such the liens,
26 claims or interests have agreed to other treatment, their liens, claims or interests shall attach to the proceeds
27 of the sale with the same force, effect, validity and priority that previously existed against the 1834 San
28 Antonio House.

1 5. The Debtor, and any escrow agent upon the Debtor's written instruction, shall be
2 authorized to make such disbursements on or after the closing of the sale as are required by the Sale
3 Contract or order of this Court, including, but not limited to, (a) any delinquent real property taxes and
4 outstanding post-petition real property taxes pro-rated as of the closing with respect to the 1834 San
5 Antonio House; (b) the seller's portion pursuant to the Sale Contract of application city, county, or other
6 transfer taxes; (c) broker's fees and commissions as identified in the motion, the listing agreement attached
7 as Exhibit A to the declaration of Jill Friedman in support of the Motion, and the Sale Contract; and (d)
8 other closings costs and escrow fees necessary to complete the sale transaction contemplated by the
9 Motion and Sale Contract.

10 6. The Debtor and its officers, employees and agents be and they hereby are authorized to
11 execute the Sale Contract and any other related documents that are reasonably necessary or appropriate to
12 complete the sale, and to undertake such other actions as may be reasonably necessary or appropriate to
13 complete the sale.

14 7. The Buyers are approved as a buyer in good faith in accordance with Section 363(m) of
15 the Bankruptcy Code, and the Buyers shall be entitled to all protections of Section 363(m) of the
16 Bankruptcy Code.

17 8. Except as otherwise provided in the Motion or Sale Contract, the 1834 San Antonio House
18 shall be sold, transferred, and delivered to Buyers on an "as is, where is" or "with all faults" basis.

19 9. This Order shall be effective immediately upon entry. No automatic stay of execution or
20 effectiveness, pursuant to Rule 62(a) of the Federal Rules of Civil Procedure, or Bankruptcy Rule 6004(h),
21 applies with respect to this Order.

22 10. The Sale Contract and any related documents or other instruments may be modified,
23 amended or supplemented by the parties thereto, in a writing signed by both parties without further order
24 of the Court, provided that any such modification, amendment or supplement does not have a material
25 adverse effect on the Debtor's bankruptcy estate.

26 11. This Court retains jurisdiction to enforce and implement the terms and provisions of this
27 Order and the Sale Contract, all amendments thereto, any waivers and consents thereunder, and each of
28 the documents executed in connection therewith in all respects, including retaining jurisdiction to (a)

1 compel delivery of the 1834 San Antonio House to the Buyer, (b) resolve any disputes arising under or
2 related to the Sale Contract, and (c) resolve any disputes regarding liens, claims, or interests asserted
3 against the 1834 San Antonio House.

4 ** END OF ORDER **
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COURT SERVICE LIST

All ECF Recipients.