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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  
  
**DEBTOR'S MOTION FOR ENTRY OF AN  
ORDER APPROVING SALE OF REAL  
PROPERTY  
(1822 San Antonio Avenue)**

Judge: Hon. William J. Lafferty  
  
Date: January 28, 2026  
Time: 10:30 a.m.  
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 1822 San Antonio Avenue, Alameda, California (the “1822 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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**Table of Contents**

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
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20  
21  
22  
23  
24  
25  
26  
27  
28

I. INTRODUCTION ..... 1

II. JURISDICTION AND VENUE ..... 1

III. BACKGROUND FACTS ..... 2

    A. General Background ..... 2

    B. The 1822 House and Proposed Sale..... 2

    C. The Debtor’s Marketing Process ..... 4

    D. The Debtor’s Need for Liquidity and Anticipated Use of Proceeds ..... 5

IV. RELIEF REQUESTED..... 6

V. BASIS FOR RELIEF ..... 7

    A. The Sale Reflects the Debtors’ Sound Business Judgment and Satisfies the Requirements under Section 363(b)..... 7

    B. Approval of the Motion without an Auction is Appropriate Here..... 9

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

    D. The Sale is Proposed in Good Faith Under Section 363(m) of the Bankruptcy Code ..... 11

    E. Relief From the Fourteen Day Waiting Period Under Bankruptcy Rule 6004(h) is Appropriate ..... 12

VI. CONCLUSION..... 14

**Table of Authorities**

Page(s)

Cases

1

2

3 *Agarawal v. Pomona Valley Med. Group, Inc. (In re Pomona Valley Med. Group, Inc.)*,

4 476 F.3d 665 (9th Cir. 2007) ..... 7, 8

5 *Citicorp Homeowners Serv., Inc. v. Elliot (In re Elliot)*,

6 94 B.R. 343 (E.D. Pa. 1988) ..... 10

7 *Comm. of Equity Sec. Holders v. Lionel Corp. (In re Lionel Corp.)*,

8 722 F.2d 1063 (2d Cir. 1983) ..... 7

9 *Gantler v. Stephens*,

10 965 A.2d 695 (Del. 2009) ..... 8

11 *In re Abbotts Dairies of Pennsylvania, Inc.*,

12 788 F.2d 143 (3d Cir. 1986) ..... 7

13 *In re Ancor Expl. Co.*,

14 30 B.R. 802 (N.D. Okla. 1983)..... 8

15 *In re AWTR Liquidation Inc.*,

16 548 B.R. 300 (Bankr. C.D. Cal. 2016)..... 8

17 *In re Bakalis*,

18 220 B.R. 525 (Bankr. E.D.N.Y. 1998)..... 9

19 *In re Baldwin United Corp.*,

20 43 B.R. 888 (Bankr. S.D. Ohio 1984)..... 7

21 *In re Blue Coal Corp.*,

22 168 B.R. 553 (Bankr. M.D. Penn. 1994) ..... 10

23 *In re Blue Coal Corp.*,

24 67 B.R. 798 (Bankr. M.D. Penn. 1986) ..... 10

25 *In re Canyon P’ship*,

26 55 B.R. 520 (Bankr. S.D. Cal. 1985) ..... 8

27 *In re Catalina Sea Ranch, LLC*,

28 No. 2:19-BK-24467-NB, 2020 WL 1900308 (Bankr. C.D. Cal. Apr. 13, 2020) ..... 7

*In re Ernst Home Centers, Inc.*,

209 B.R. 974 (Bankr. W.D. Wash. 1997)..... 7

*In re MF Global, Inc.*,

535 B.R. 596 (Bankr. S.D.N.Y. 2015)..... 8

*In re Montgomery Ward Holding Corp.*,

242 B.R. 147 (D. Del. 1999)..... 7

*In re Schipper*,

933 F.2d 513 (7th Cir. 1991) ..... 9

*In re Stephens Indus., Inc.*,

789 F.2d 386, 390 (6th Cir. 1986) ..... 9

1	<i>In re Trans World Airlines, Inc.</i> ,	
2	2001 WL 1820325 (Bankr. D. Del. March 27, 2001).....	11
3	<i>In re Walter</i> ,	
4	83 B.R. 14 (B.A.P. 9th Cir. 1988) .....	7
5	<i>Myers v. Martin (In re Martin)</i> ,	
6	91 F.3d 389 (3d Cir. 1996) .....	7
7	<i>Volvo White Truck Corp. v. Chambersburg Beverage, Inc. (In re White Motor Credit Corp.)</i> ,	
8	75 B.R. 944 (Bankr, N.D. Ohio 1987).....	11
9	<u>Statutes</u>	
10	11 U.S.C. § 363.....	6, 9, 11
11	11 U.S.C. § 363(b) .....	6, 7, 9
12	11 U.S.C. § 363(f).....	6, 10
13	11 U.S.C. § 363(m).....	6, 11
14	11 U.S.C. §§ 105(a) and 363.....	2
15	11 U.S.C. §§ 1107(a) and 1108.....	2
16	11 U.S.C. §§ 327, 328, and 330 .....	9
17	28 U.S.C. § 157(b) .....	1
18	28 U.S.C. §§ 1408 and 1409 .....	1
19	28 U.S.C. §§ 157 and 1334 .....	1
20	<u>Rules</u>	
21	Fed. R. Bankr. P. 6004(f)(1) .....	9
22	Fed. R. Bankr. P. 6004(h) .....	11, 12
23		
24		
25		
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**I.**

**INTRODUCTION**

The Debtor seeks Court approval for a straightforward sale of a duplex residence located in Alameda, California to an unrelated third-party buyer. The proposed sale price is \$1,106,000. This price reflects the highest and best offer received following a diligent and thorough marketing process by an experienced local broker team. As a result of these marketing efforts and a call for highest and best offers from prospective buyers, the Debtor received a total of three offers for the property. The highest offer of \$1,106,000 million was accepted by the Debtor subject to Court approval.

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 a confirmation process and a 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

**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.

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

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**III.**

**BACKGROUND FACTS**

**A. General Background**

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

On May 23, 2023, the U.S. Trustee appointed the Official Committee of Unsecured Creditors (the "Committee").

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

**B. The 1822 House and Proposed Sale**

RCBO is the fee simple owner of the 1822 House, which is a house converted to a residential duplex located at 1822 San Antonio Avenue, in Alameda, California, APN Number 71-273-20. *See* Bardos Decl., ¶ 3. The 1822 House is tenant-occupied and was previously rented as an income property by St. Joseph Basilica Parish in Alameda. *See id.* The tenants have no relationship to the Debtor other than as tenants of the 1822 House. *See id.*

1 The 1822 House was appraised by both the Debtor's and the Committee's real estate experts in  
2 June 2025.<sup>1</sup> See Bardos Decl., ¶ 4. The Debtor's appraiser, Hilco Real Estate Appraisal, LLC, appraised  
3 the as-is market value of the 1822 House as \$1,300,000. See id. While the sale price is lower than the  
4 appraised value, based on the marketing efforts undertaken, and the factors affecting sale value, both  
5 described further below, the Debtor is confident that the sale price of \$1,106,000 is the highest and best  
6 offer it will receive for the property, and in the exercise of its reasonable business judgment accepted the  
7 offer subject to approval of the Court. See id. The Debtor does not have any debt secured by the 1822  
8 House, and there are no liens recorded against the 1822 House. See id.

9 The Debtor has entered into a contract, subject to Bankruptcy Court approval, with the Taylor  
10 Living Trust, Jonathan Taylor and Kimberly Taylor, trustees (the "Buyer") for sale of the 1822 House  
11 based on the highest offer received by the Debtor after the extensive marketing effort described below.  
12 See Bardos Decl., ¶ 5. A copy of the signed California Residential Income Purchase Agreement and Joint  
13 Escrow Instructions (including all addenda thereto, the "Sale Contract") is attached as Exhibit A to the  
14 Bardos Declaration. The Sale Contract is expressly subject to court approval as reflected on the California  
15 Association of Realtors standard form Court Confirmation Addendum. See Bardos Decl, Ex. A. The  
16 Buyer and its trustees have no prior relationship to the Debtor. See Bardos Decl., ¶ 6.

17 As set forth in the Sale Contract, the purchase price to be paid by the Buyer for the 1822 House is  
18 \$1,106,000, with a deposit of \$33,189.00. See Bardos Decl, Ex. A. The Sale Contract provides for close  
19 of escrow on February 2, 2026.<sup>2</sup> See id. The Buyer has waived all buyer contingencies except loan  
20 approval and insurance, as reflected on the California Association of Realtors standard form Buyer  
21 Contingency Removal. See id. The Buyer has also provided proof of funds and loan approval satisfactory  
22 to the Debtor. See Bardos Decl., ¶ 7.

23 Costs of sale to be paid at closing will include broker fees totaling 4.5%, transfer taxes, and  
24 standard escrow fees and costs. See Bardos Decl., ¶ 8. The Debtor's real estate agents, Jill Friedrich and  
25

26  
27 <sup>1</sup> The appraised value provided the Committee's expert is not provided here, because the report was  
designated as confidential.

28 <sup>2</sup> This timing will allow rent increases scheduled to go into effect on February 1, 2026, to be effective.

1 Jane Friedrich, the principals of Friedrich Homes Group in the Compass brokerage network (“Friedrich  
2 Homes”), have agreed to accept a discounted broker fee as seller’s agents of two percent (2%). *See*  
3 Friedrich Decl., Ex. A. The broker fee for the Buyer’s agent, Nicole Schuler (also a Compass associated  
4 agent),<sup>3</sup> is 2.5% and will also be deducted from the purchase price at closing. *See* Bardos Decl, Ex. A.  
5 Pursuant to the Sale Contract transfer taxes will be split between Buyer and the Debtor, which is standard  
6 in Alameda. *See id.*

7 An estimated closing statement is not yet available from escrow. The Debtor will file a supplement  
8 to the Motion with the estimated seller’s closing statement as soon as it is available, which is anticipated  
9 to be before the hearing on this Motion.

10 **C. The Debtor’s Marketing Process**

11 The 1822 House was extensively marketed by Friedrich Homes in order to maximize value and  
12 obtain the best price. Jill and Jane Friedrich collectively have more than forty years’ experience in selling  
13 residential and income property in the Bay Area. *See* Friedrich Decl., ¶ 2.

14 Friedrich Homes undertook a comprehensive marketing campaign, designed to maximize the sale  
15 price based on their extensive experience in the market. *See* Friedrich Decl., ¶ 4. This included a webpage  
16 with professional photos and detailed information, multiple email marketing blasts through various  
17 platforms designed to reach active brokers in the market, social media campaigns on all major social media  
18 platforms, and multiple open houses, in addition to an MLS listing. *See id.*, ¶ 4-10.

19 Through the marketing campaign, Friedrich Homes requested offers be submitted no later than  
20 Sunday, December 21, 2025. *See* Friedrich Decl., ¶ 12. The agents expressly communicated to potential  
21 buyers that the Debtor expected multiple offers, and potential buyers should submit their highest and best  
22 bids, based on the expectation that the highest offer received on that date would be selected, without  
23 further opportunity to bid. *See id.*

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26 <sup>3</sup> As with the Debtor’s prior sale of the house at 1834 San Antonio Avenue last month, both the Debtor’s  
27 agents and the Buyer’s agent are associated with the Compass brokerage network. As set forth in detail in  
28 the Friedrich declaration, this is common practice and whether the buyer broker is associated with  
Compass or another brokerage has no economic impact on the Debtor or Buyer, and each agent has a  
fiduciary duty solely to their client.

1 As a result of the marketing efforts described above, the Debtor received three offers for the 1822  
2 House, with a high offer of \$1,106,000. *See* Friedrich Decl., ¶ 13. The Debtor first received a pre-emptive  
3 offer the first week on the market, for \$925,000. *See id.* The Debtor did not accept the preemptive offer  
4 and we continued to market the property. *See id.* The initial pre-emptive bidder withdrew their offer and  
5 did not re-submit. *See id.* The Debtor received two additional offers for the 1822 House, with a high offer  
6 of \$1,106,000. *See id.* It is the understanding of the Debtor’s agent that these were the highest and best  
7 offers these potential buyers were prepared to make. *See id.* The three best and final offers are summarized  
8 on the spreadsheet attached as Exhibit D to the Friedrich Declaration.<sup>4</sup> The offers ranged from \$925,000  
9 to \$1,106,000. *See id.*, ¶ 13 and Ex. D. On December 22, 2025, the Debtor accepted Buyer’s offer – the  
10 highest offer – subject to bankruptcy court approval. *See id.*, ¶ 13.

11 The Debtor recently sold a single-family home nearby at 1834 San Antonio Avenue, as approved  
12 by this Court by order entered December 24, 2025. That property generated substantially more offers and  
13 a higher sale price. There were several challenges to marketing the 1822 House that explain the lower  
14 price realized for the 1822 House, including significantly lower square footage, a smaller market of  
15 potential buyers for income properties, the monthly rent relative to the costs of financing, and condition  
16 issues, as detailed in the Friedrich Declaration.<sup>5</sup> *See* Friedrich Decl., ¶ 14-16.

17 Based on the experience of the Debtor’s agents, the marketing and sale plan summarized above  
18 and described in more detail in the Friedrich Declaration was structured as the best way to fully expose  
19 the 1822 House to the market and obtain the highest and best sale price, particularly given the timing  
20 imposed by the Debtor’s urgent need for cash.

21 **D. The Debtor’s Need for Liquidity and Anticipated Use of Proceeds**

22 As the Court is aware, the Debtor has incurred considerable administrative expenses in this case,  
23 which are ongoing, and which the Debtor does not have available unrestricted cash to sustain. *See* Bardos  
24 Decl., ¶ 9. As set forth in the Debtor’s *Motion to Amend Interim Compensation Procedures* [Docket No.

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26 \_\_\_\_\_  
27 <sup>4</sup> This includes the \$925,000 pre-emptive offer that was withdrawn prior to the final bid date.

28 <sup>5</sup> The 1822 House is approximately 2,107sqft, where the house at 1834 San Antonio is approximately 2,910sqft.

1 1908], the Debtor’s Reply in support of the same [Docket No. 2013], the Debtor’s motion to continue the  
2 confirmation hearing [Docket No. 2147], and the Debtor’s motion to dismiss the Chapter 11 case [Docket  
3 No. 2293], professional fees have increased well beyond the Debtor’s original forecast in this case due to  
4 the length and current posture of the case. While the Debtor obtained critical short-term liquidity of  
5 approximately \$3.2 million from its transaction with Catholic Church Support Services, approved by the  
6 Court in September 2025 [Docket No. 2323], those funds have been or will be required to pay the  
7 professional fees reflected in the sixth and seventh round of interim fee applications, including the hold-  
8 back amounts that will be payable after entry of an order following the interim fee application hearing  
9 held on December 3, 2025. *See* Bardos Decl., ¶ 10. The Debtor also obtained some additional liquidity  
10 from the sale of the house at 1834 San Antonio, which has now closed, but those funds will also be entirely  
11 exhausted in January by payment of monthly fee statements and holdbacks. *See id.*

12 The Debtor has determined in good faith and with reasonable care that in its business judgment  
13 the requested relief herein – to approve sale of the 1822 House to the Buyer pursuant to the Sale Contract  
14 – is in the best interests of the Debtor and its estate. *See* Bardos Decl., ¶ 11. The net proceeds of this sale  
15 are urgently needed for, and will be used for, payment of administrative expenses, including without  
16 limitation ordinary course operational expenses including the Debtor’s payroll, and the substantial  
17 professional fees holdbacks recently approved by the Court. *See id.*

#### 18 IV.

#### 19 RELIEF REQUESTED

20 By this Motion, and pursuant to section 363(b)(1) of the Bankruptcy Code, the Debtor, after notice  
21 and a hearing, seeks approval for sale of the 1822 House to the Buyer pursuant to the Sale Contract. The  
22 Debtor further seeks approval for sale free and clear of any liens, claims, or interests pursuant to section  
23 363(f), and a finding that the Buyer’s purchased the 1822 House in good faith pursuant to section 363(m).  
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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).

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

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

8 The demonstration of a valid business justification by a debtor leads to a strong presumption "that  
9 in making [the] business decision the directors of a corporation acted on an informed basis, in good faith  
10 and in the honest belief that the action taken was in the best interests of the company." *See In re AWTR*  
11 *Liquidation Inc.*, 548 B.R. 300, 313 (Bankr. C.D. Cal. 2016) (citing *Gantler v. Stephens*, 965 A.2d 695,  
12 705–06 (Del. 2009). *See also In re Pomona Valley Med. Grp., Inc.*, 476 F.3d 665, 670 (9th Cir. 2007)  
13 (applying the business judgment rule in the context of a debtor's decision to reject an executory contract).

14 The analysis of whether there is a sound business justification for the sale does not change if the  
15 proposed sale is private, rather than public. *See, e.g., In re Ancor Expl. Co.*, 30 B.R. 802, 808 (N.D. Okla.  
16 1983) ("[T]he bankruptcy court should have wide latitude in approving even a private sale of all or  
17 substantially all of the estate assets not in the ordinary course of business under § 363(b)."). The trustee  
18 has ample discretion to administer the estate, including authority to conduct public or private sales of  
19 estate property. *See In re Canyon P'ship*, 55 B.R. 520, 524 (Bankr. S.D. Cal. 1985).

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

3 The Debtor has ample business justification to sell the 1822 House to the Buyer. The marketing  
4 process undertaken by Friedrich Homes has yielded the highest and best offer for the 1822 House. *See*  
5 Bardos Decl., ¶ 12. Because there are no liens, the Debtor's estate will receive the full value after costs  
6 of sale. As set forth above, these funds are essential to fund ongoing administrative expenses and in  
7 particular professional fees. *See id.* Thus, the relief sought herein is not only reasonable, but necessary  
8 to maximize the value of the Debtor's estate for the benefit of its stakeholders.

9 The marketing process undertaken by Friedrich Homes was designed to maximize visibility to the  
10 market and reach any potentially interested home buyers. There can be no question that this process  
11 provided adequate notice to the market of the opportunity to submit offers. Moreover, under the  
12 circumstances, the marketing process maximized the value received for the 1822 House. Friedrich  
13 Homes's process subjected the 1822 House to a thorough market test, resulting in multiple offers from  
14 buyers who were encouraged to submit their highest and best offers. Accordingly, the Debtor, creditors,  
15 all parties in interest, and the Court can be assured that the consideration received for the 1822 House is  
16 fair and reasonable.

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

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

22 Section 363 of the Bankruptcy Code does not require that all sales be conducted pursuant to  
23 competitive bidding procedures and public auctions. Bankruptcy Rule 6004(f) specifically authorizes  
24 private sales: "All sales not in the ordinary course of business may be by private sale or by public auction."  
25

26 <sup>6</sup> The Debtor submits that approval of a standard broker fee in connection with sale is appropriate as a use  
27 of property of the estate outside the ordinary course of business pursuant to section 363(b)(1). To the  
28 extent necessary, however, the Debtor requests that the Court alternatively approve the broker fee pursuant  
to sections 327, 328, 330, and 331 of the Bankruptcy Code.

1 Fed. R. Bankr. P. 6004(f)(1). Courts generally afford debtors in possession broad discretion in  
2 determining the manner in which estate property is sold. *See, e.g., In re Bakalis*, 220 B.R. 525, 531 (Bankr.  
3 E.D.N.Y. 1998). Private sales by a debtor outside of the ordinary course of business are appropriate where  
4 the debtor demonstrates that the sale is permissible pursuant to section 363 of the Bankruptcy Code. *See*  
5 *In re Stephens Indus., Inc.*, 789 F.2d 386, 390 (6th Cir. 1986) (holding a debtor may sell property via  
6 private sale “when a sound business purpose dictates such action); *In re Schipper*, 933 F.2d 513 (7th Cir.  
7 1991) (approving private real estate sale by debtor when purchase price was the same as independent  
8 appraisal); *In re Blue Coal Corp.*, 67 B.R. 798 (Bankr. M.D. Penn. 1986) (permitting the private sale of  
9 certain of the debtor’s assets); *see also In re Blue Coal Corp.*, 168 B.R. 553, 564 (Bankr. M.D. Penn.  
10 1994) (“[A] larger measure of discretion is available to the court in considering whether a private bid  
11 should be approved or confirmed.”).<sup>7</sup>

12 Particularly because Friedrich Homes conducted a competitive bidding process designed to  
13 maximize bids, the Debtor submits that not further auction or bidding is needed. There is ample business  
14 justification here to approve the sale without conducting a formal auction process before the Court. The  
15 1822 House was already marketed as broadly as possible to interested potential buyers, and those buyers  
16 were encouraged to submit their highest and best offers. This process included the neighbors owning the  
17 adjoining house – the Buyer – who were the party naturally most likely to provide the highest offer. Indeed,  
18 that party submitted the winning bid as their highest and best offer.

19 Based on the opinion and advice of the Debtor’s experienced real estate agents, the Sale Contract  
20 price of \$1.106 million is the highest offer available. The Debtor’s estate and creditors will benefit from  
21 the approval of the Motion and Sale Contract without the added delay, energy, and expenses associated  
22 with an auction process is unlikely to accomplish any further increase and could jeopardize the sale to the  
23 Buyer.

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27 <sup>7</sup> This is not truly a private sale, in the sense that the sale is the result of extensive marketing and a public  
28 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           **C. The Sale Satisfies the Requirements of Section 363(f) of the Bankruptcy Code**

2           Under section 363(f) of the Bankruptcy Code, a debtor-in-possession may sell all or any part of its  
3 property free and clear of any and all liens, claims or interests in such property if: (i) such a sale is  
4 permitted under applicable non-bankruptcy law; (ii) the party asserting such a lien, claim or interest  
5 consents to such sale; (iii) the interest is a lien and the purchase price for the property is greater than the  
6 aggregate amount of all liens on the property; (iv) the interest is the subject of a bona fide dispute; or  
7 (v) the party asserting the lien, claim or interest could be compelled, in a legal or equitable proceeding, to  
8 accept a money satisfaction for such interest. 11 U.S.C. § 363(f); *Citicorp Homeowners Serv., Inc. v.*  
9 *Elliot (In re Elliot)*, 94 B.R. 343, 345 (E.D. Pa. 1988) (noting that section 363(f) of the Bankruptcy Code  
10 is written in the disjunctive; therefore, a court may approve a sale “free and clear” provided at least one  
11 of the subsections is met). Because the Debtor expects that it will satisfy, at minimum, the first, third, and  
12 fifth of these requirements, if not others as well, approving the sale of the 1822 House free and clear of all  
13 adverse interests of any party receiving notice of the Motion is warranted. Furthermore, courts have held  
14 that they have the equitable power to authorize sales free and clear of interests that are not specifically  
15 covered by section 363(f)(1). *See, e.g., In re Trans World Airlines, Inc.*, 2001 WL 1820325 at \*3, 6  
16 (Bankr. D. Del. March 27, 2001); *Volvo White Truck Corp. v. Chambersburg Beverage, Inc. (In re White*  
17 *Motor Credit Corp.)*, 75 B.R. 944, 948 (Bankr, N.D. Ohio 1987).

18           There are no known liens on or interests in the 1822 House. To the extent there are any other claims  
19 against the Debtor with respect to the Property, such claims are capable of satisfaction through the  
20 payment of money. The Debtor reserves the right to provide additional arguments and authority in respect  
21 of any secured claim asserted, including in the event of an objection to this Motion.

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

23           The Debtor requests that the Court find that the Buyer is entitled to the benefits and protections  
24 provided by section 363(m) of the Bankruptcy Code in connection with the Sale. Section 363(m) of the  
25 Bankruptcy Code provides, in pertinent part:

26           The reversal or modification on appeal of an authorization under subsection  
27 (b) . . . of this section of a sale... of property does not affect the validity of  
28 a sale . . . , under such authorization to an entity that purchased . . . such  
property in good faith, whether or not such entity knew of the pendency of

1 the appeal, unless such authorization and such sale . . . were stayed pending  
2 appeal.

3 11 U.S.C. § 363(m).

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

8 The Debtor submits (and will present evidence prior to or at the sale hearing, if necessary) the  
9 Buyer's offer was a negotiated, arm's-length transaction between two separate and independent parties,  
10 in which both the Buyer and the Debtor acted in good faith. *See Bardos Decl.*, ¶ 13. Accordingly, the  
11 Debtor requests that the Court make the finding that the Buyer has purchased the Assets in good faith  
12 within the meaning of section 363(m) of the Bankruptcy Code.

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

15 Bankruptcy Rule 6004(h) provides that an “order authorizing the use, sale, or lease of property . . .  
16 is stayed until the expiration of 14 days after entry of the order, unless the court orders otherwise.” The  
17 Debtor requests that the sale order be effective immediately by providing that the 14 day stay under  
18 Bankruptcy Rule 6004(h) is waived.

19 The purpose of Bankruptcy Rule 6004(h) is to provide sufficient time for an objecting party to  
20 appeal before an order can be implemented. *See Advisory Committee Notes to Fed. R. Bankr. P. 6004(h).*  
21 Although Bankruptcy Rule 6004(h) and the Advisory Committee Notes are silent as to when a court should  
22 “order otherwise” and eliminate or reduce the 14-day stay period, *Collier on Bankruptcy* suggests that the  
23 stay period should be eliminated to allow a sale or other transaction to close immediately “where there  
24 has been no objection to the procedure.” 10 *Collier on Bankruptcy* 15th Ed. Rev., 16064.09 (L. King,  
25 15th rev. ed. 1988). Furthermore, *Collier's* provides that if an objection is filed and overruled, and the  
26 objecting party informs the court of its intent to appeal, the stay may be reduced to the amount of time  
27 actually necessary to file such appeal. *Id.*

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

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**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: January 7, 2025

**FOLEY & LARDNER LLP**

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

*/s/ Shane J. Moses*

\_\_\_\_\_  
Shane J. Moses

*Counsel for the Debtor  
and Debtor in Possession*

# EXHIBIT A

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17 *Counsel for the Debtor*  
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19 **UNITED STATES BANKRUPTCY COURT**  
20 **NORTHERN DISTRICT OF CALIFORNIA**  
21 **OAKLAND DIVISION**

22 In re:  
23  
24 THE ROMAN CATHOLIC BISHOP OF  
25 OAKLAND, a California corporation sole,  
26  
27 Debtor.

Case No. 23-40523 WJL

Chapter 11

**ORDER APPROVING SALE OF REAL  
PROPERTY  
(1822 San Antonio Avenue)**

Judge: Hon. William J. Lafferty

Date: January 28, 2026

Time: 10:30 a.m.

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

28 The *Debtor's Motion For Entry of an Order Approving Sale of Real Property*  
(1822 San Antonio Avenue), filed on January 7, 2026 [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 22, 2025 (including all addenda thereto, the "Sale Contract"),

ORDER APPROVING SALE OF REAL PROPERTY (1822 SAN ANTONIO)

1 by and between Taylor Living Trust, Jonathan Taylor and Kimberly Taylor trustees, as buyer (the  
2 "Buyer") and the Debtor as seller, a copy of which is attached as Exhibit A to the declarations of Attila  
3 Bardo in support of the Motion (the "Bardos Declaration"), for sale of certain real property commonly  
4 known as 1822 San Antonio Avenue, Alameda, California (the "1822 San Antonio House"), (2) approving  
5 payment of broker commission and costs of sale; and (3) granting related relief came before the Court for  
6 hearing at the above-captioned date and time. The Court having reviewed and considered the Motion and  
7 notice thereof, the declarations in support thereof, all other pleadings documents filed in support of or  
8 opposition to the Motion, and the arguments 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 Buyer has acted in good faith and are entitled to the protections of Section 363(m) of  
12 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 1822 San Antonio House to the Buyer 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 Buyer for the purchase price of \$\$1,106,000, 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 1822 San Antonio House will vest in the Buyer all right, title and interest of the Debtor and the bankruptcy  
24 estate in the 1822 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 1822 San  
28 Antonio House.

ORDER APPROVING SALE OF REAL PROPERTY (1822 SAN ANTONIO)

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 1822 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 Buyer is approved as a buyer in good faith in accordance with Section 363(m) of the  
15 Bankruptcy Code, and the Buyer shall be entitled to all protections of Section 363(m) of the Bankruptcy  
16 Code.

17           8.       Except as otherwise provided in the Motion or Sale Contract, the 1822 San Antonio House  
18 shall be sold, transferred, and delivered to Buyer 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**

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