

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

In re:

A CHICAGO CONVENTION CENTER, LLC,

Debtor.

Chapter 11

Case No. 16-20463

Hon. Deborah L. Thorne
Room 613

Docket No. 26

**AGREED ORDER ESTABLISHING
PROCEDURES WITH RESPECT TO MOTION TO SELL PROPERTY
FREE AND CLEAR OF LIENS PURSUANT TO § 363 OF THE BANKRUPTCY CODE**

Upon consideration of the *Motion to Sell Property Free and Clear of Liens Pursuant to § 363 of the Bankruptcy Code* [Docket No. 26] (the “**Motion**”) of the above-captioned debtor and debtor in possession (the “**Debtor**”) for the entry of an order pursuant to section 363(b) of the Bankruptcy Code to sell the Debtor’s property (the “**Sale**”) commonly known as 8201 West Higgins Road, Chicago, Illinois 60631 (the “**Property**”) to Friedman Properties LLC (the “**Stalking-Horse Bidder**”) pursuant to the Amended and Restated Purchase and Sale Agreement attached to the Motion as Exhibit 2 and attached hereto with all extant amendments as Exhibit A (as it may be amended or modified, the “**Proposed Purchase Agreement**”) for \$6.75 million in cash (the “**Proposed Purchase Price**”); the Court having reviewed the Motion; good, adequate, and sufficient cause having been shown to justify entry of this Order; it appearing that notice of the Motion and the opportunity for a hearing on the Motion was appropriate under the circumstances and that no other or further notice need be given; and after due deliberation and sufficient cause appearing therefore,

THE PARTIES STIPULATE THAT:

A. Capitalized terms not otherwise defined in this order shall have the respective meanings attributed to such terms in the Motion.

B. This Court has jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 1334 and 157(b). Venue in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).

C. The Sale of the Property will be subject to higher and better offers, if any, and the opportunity for public auction and sale (the “*Auction*”), free and clear of all liens, claims, encumbrances, and interests.

D. In connection with the Proposed Purchase Agreement, Stalking-Horse Bidder has submitted a deposit of \$1.0 million in the aggregate, presently held in escrow, (collectively, the “*Deposit*”).

E. The Stalking-Horse Bidder has expended, and likely will continue to expend, considerable time and substantial money and energy pursuing the Sale and has engaged in extended due diligence and good-faith prepetition negotiations with the Debtor. The Proposed Purchase Agreement is the culmination of these efforts.

F. Finally, the Debtor and the Stalking-Horse Bidder have represented to the Court that time is of the essence to complete the Sale.

G. The Property is subject to the following liens:

1. an original contractor’s lien in favor of Quality Excavation, Inc. in the amount of \$100,000, recorded as Document No. 1305029025; and
2. that certain Mortgage, Assignment of Leases and Rents, Security Agreement and Fixture Filing dated March 20, 2008 and recorded with the

Cook County Recorder of Deeds on March 21, 2008 at Document No. 0808144032 (the “**Higgins Mortgage**”), securing that certain *Judgment of Foreclosure and Sale* dated May 18, 2016 (the “**Judgment of Foreclosure**”) as entered by the Chancery Divisions of the Circuit Court of Cook County, Illinois in the foreclosure proceeding captioned *Cathay Bank v. A Chicago Convention Center LLC, et al.*, Case No. 13 CH 14547 (the “**Foreclosure Proceeding**”) in the amount of \$9,658,879.74, plus interest at the statutory judgment rate (the “**Judgment Amount**”), and the underlying promissory notes and loan documents identified in the Judgment of Foreclosure.

H. Following the initial presentment of the Motion, the Debtor and the Debtor’s secured lender, Cathay Bank (the “**Bank**”) conferred and agreed to the entry of this order establishing procedures for the Sale (this “**Bidding Procedures Order**”), pursuant to which the Bank will serve as the back-up bidder to the Stalking-Horse Bidder (the “**Back-up Bidder**”).

I. The Debtor and the Bank have conferred with the Office of the U.S. Trustee (the “**Trustee**”), and the U.S. Trustee does not object to the procedures set forth in this Bidding Procedures Order.

J. Notice of the Motion for the purposes of initial presentment and entry of this Bidding Procedures Order was appropriate under the circumstances, and no further notice is necessary or required.

K. Based upon the forgoing, good and sufficient cause exists for the entry of this Bidding Procedures Order.

**NOW THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED
AS FOLLOWS:**

1. The Motion is hereby granted as set forth below.
2. The bidding procedures for the conduct of the Auction and Sale attached as **Exhibit B** hereto (the “*Bidding Procedures*”)¹ are approved and shall apply to the Sale of the Property.
3. The Debtor shall conduct the Auction no later than September 29, 2016 and shall provide notice of the Auction to all parties in interest in this chapter 11 case and all parties that (a) have been previously materially solicited by the Debtor or its agents with respect to the purchase of the Property, (b) have previously expressed a material interest to the Debtor or its agents with respect to the purchase of the Property, or (c) the Debtor or its agents is aware of may be materially interested in, and capable of, participating in the Auction and purchasing the Property pursuant to the Bidding Procedures.
4. Friedman Properties LLC is hereby designated the “Stalking-Horse Bidder” and the Proposed Purchase Price is hereby designated the “Stalking-Horse Bid,” both as used in the Bidding Procedures.
5. The Bank is hereby designated as the “Backup Bidder,” with a credit bid of \$6.0 million of its debt secured by the Property the “Backup Bid” (both as used in the Bidding Procedures). If a “Qualified Bidder” appears at the Auction and submits a “Qualified Bid” (both as used in the Bidding Procedures) that exceeds the Stalking-Horse Bid, the Bank may credit bid at the Auction up to the Judgment Amount. If no parties other than the Bank and the Stalking-

¹ Capitalized terms used as defined terms herein and not otherwise defined shall have the meanings ascribed to them in the Bidding Procedures, or else if not therein defined, in the Motion.

Horse Bidder appear at the Auction, the Bank agrees that it will not submit a credit bid that exceeds, or otherwise seek to top, the Stalking-Horse Bid.

6. This Court retains jurisdiction over any matters related to or arising from: (a) the implementation of this Bidding Procedures Order; and (b) the Proposed Purchase Agreement and all related agreements.

7. The Debtor is hereby authorized and empowered to take such steps and do such other things as may be necessary to implement and effect the terms and requirements established by this Bidding Procedures Order.

8. The Sale Hearing to consider approval of the Sale to the Successful Bidder at the Successful Bid amount (the "**Purchase Price**") shall take place on September 30, 2016 at 10:00 a.m. Central Time.

9. The Sale shall take place no later than October 14, 2016. If the Successful Bidder is unable or unwilling to close the Sale on or before October 14, 2016 by tendering the Purchase Price to the Debtor, the Debtor shall close the Sale with the Bank as the Backup Bidder, or with such other Backup Bidder with a cash bid in excess of \$6.0 million as the Bank may consent to.

Dated: 9/14/2016

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Enter: 
United States Bankruptcy Judge

Exhibit 1

Bidding Procedures

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

In re:

A CHICAGO CONVENTION CENTER, LLC,

Debtor.

Chapter 11

Case No. 16-20463

Hon. Deborah L. Thorne
Room 613

Docket No. []

**BIDDING PROCEDURES FOR THE SALE OF THE PROPERTY COMMONLY
KNOWN AS 8201 WEST HIGGINS ROAD, CHICAGO, ILLINOIS 60631**

On September 14, 2016, the United States Bankruptcy Court for the Northern District of Illinois (the “**Court**”) entered the *Agreed Order Establishing Procedures with Respect to Motion to Sell Property Free and Clear of Liens Pursuant to § 363 of the Bankruptcy Code* [Docket No. ___] (the “**Bidding Procedures Order**”), by which the Court approved the following procedures (the “**Bidding Procedures**”).

These Bidding Procedures set forth the process by which the Debtor is authorized to conduct an auction (the “**Auction**”) for the sale (the “**Sale**”) of Debtor’s real estate commonly known as 8201 West Higgins Road, Chicago, Illinois 60631 (the “**Property**”) as more particularly described in and pursuant to the Stalking-Horse Purchase Agreement (as defined in the Bidding Procedures Order).²

A. As-Is, Where-Is

The proposed transfer of any of the Property will be on an “as-is, where-is” basis and without representations or warranties of any kind, nature, or description by the Debtor, other than those set forth in the Proposed Purchase Agreement (as defined in the Bidding Procedures Order). All of the applicable Debtor’s right, title, and interest in and to the Property will be transferred free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options, *lis pendens*, and interests in accordance with section 363(f) of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the “**Bankruptcy Code**”), except as otherwise agreed by the Debtor.

Each Bidder for the Property will be deemed to acknowledge and represent that it: (a) has had an opportunity to conduct due diligence regarding the Property prior to making its Bid; (b) has relied solely upon its own independent review, investigation, and inspection of any document including, without limitation, executory contracts and unexpired leases, in making its Bid; and (c) did not rely upon or receive any written or

² Capitalized terms used as defined terms herein and not otherwise defined shall have the meanings ascribed to them in the Bidding Procedures Order.

oral statements, representations, promises, warranties, or guaranties whatsoever, whether express, implied by operation of law, or otherwise, with respect to the Property, or the completeness of any information provided in connection with the Sale or the Auction.

B. Bid Requirements

Any proposal, solicitation, or offer (each, a “*Bid*”) by a person interested in the Property (such person who submits a Bid, a “*Bidder*”) other than the Stalking-Horse Bid must be submitted in writing and determined by the Debtor, in its reasonable business judgment, to have satisfied the following requirements (collectively, the “*Bid Requirements*”):

- (a) ***The Assets:*** Competing Bids must be for the Property;
- (b) ***Bid Requirements:*** Any Bid (other than the Stalking-Horse Bid, as defined herein) must be submitted in writing no later than the Bid Deadline and determined by the Debtor, in its reasonable business judgment, to have satisfied the following requirements:
 - i. ***Purchase Price:*** Each Bid must clearly set forth the purchase price to be paid in cash. The Purchase Price must exceed the Stalking-Horse Bid by at least \$100,000.
 - ii. ***Stalking-Horse Bid:*** The “Stalking-Horse Bidder” is Friedman Properties, LLC. The Debtor and the Stalking-Horse Bidder have entered into the Amended and Restated Purchase and Sale Agreement dated August 5, 2016 (as it may be amended or modified, the “*Purchase Agreement*”), which is attached as Exhibit A to the Bidding Procedures Order. The Purchase Agreement is the ***Stalking-Horse Bid***.
 - iii. ***Deposit:*** Each Bid must be accompanied by a cash deposit in the amount equal to \$1 million to be held in a non-interest-bearing escrow account to be identified and established by the Debtor (the “*Deposit*”).
 - iv. ***Purchase and Sale Agreement:*** Each Bid must expressly include an asset purchase agreement with a blackline clearly marked to show changes requested by the Bidder against the Proposed Purchase Agreement.
 - v. ***Same or Better Terms:*** Except as otherwise provided in the Bidding Procedures, each Bid must be, in the Debtor’s reasonable business judgment, substantially on the same or better terms that the terms of the Proposed Purchase Agreement. Each Bid must include duly executed transaction documents necessary to effectuate the Sale (the “*Bid Documents*”).

- vi. ***Demonstrated Financial Capacity, Committed Financing:*** A Bidder must have, in the Debtor's reasonable business judgment, the necessary financial capacity to consummate the proposed transactions required by the Bid. Each Bid must also include committed financing, documented to the Debtor's reasonable satisfaction, that demonstrates the Bidder has received sufficient debt and/or equity funding commitments to satisfy the Bidder's Purchase Price and other obligations under its Bid, including without limitation, the identity and the contact information of the specific person(s) or entity(s) responsible for such committed financing whom the Debtor should contact regarding such committed financing. Such funding commitments shall not be subject to any internal approvals, syndication requirements, diligence, or credit committee approvals, and shall have covenants and conditions reasonably acceptable to the Debtor in its business judgment.
- vii. ***Identity:*** Each Bidder must fully disclose the identity of each entity that will be bidding or otherwise participating in connection with such Bid (including each equity holder or other financial backer of the Bidder if such Bidder is an entity formed for the purpose of consummating the proposed transaction contemplated by such), and the complete terms of such participation. Under no circumstances may any undisclosed principals, equity holders, or financial backers be associated with any Bid. Each Bid must also include contact information for the specific person(s) whom the Debtor should contact regarding such Bid.
- viii. ***Contingencies, No Financing or Diligence Outs:*** A Bid shall not be conditioned on the obtaining or the sufficiency of financing or any internal approval, on the outcome or review of due diligence, but may be subject to the accuracy at the closing of specified representations and warranties or the satisfaction at the closing of specified conditions, which shall not be more burdensome, in the Debtor's reasonable business judgment, than those set forth in the Proposed Purchase Agreement.
- ix. ***Irrevocable:*** A Bidder's Bid shall be irrevocable unless and until the Debtor except a higher Qualified Bid (as defined herein) and such Bidder is not selected as the Backup Bid (as defined herein).
- x. ***Expenses:*** Each Bidder presenting a Bid or Bids shall bear its own costs and expenses (including legal fees) in connection with the proposed transaction.

- xi. **Authorization:** Each Bid must contain evidence that the Bidder has obtained authorization or approval from its Board of Directors (or a comparable governing body acceptable to the Debtor) with respect to the submission of its Bid and the consummation of the transaction contemplated in such Bid.
- xii. **As-Is, Where-Is:** Each Bid must include a written acknowledgment and representation that the Bidder: (A) has had an opportunity to conduct any and all due diligence regarding the Property prior to making its offer; (B) has relied solely upon its own independent review, investigation, and/or inspection of any documents and/or the Property in making its Bid; and (C) did not rely upon any written or oral statements, representations, promises, warranties, or guarantees whatsoever, whether express, implied, by operation of law, or otherwise, regarding the Property for the completeness of any information provided in connection therewith or the Auction, except as expressly stated in the Bidder's proposed Purchase and Sale Agreement.
- xiii. **Offer to Remain Open:** Each Bid must specify that it shall remain open for at least sixty (60) days.

C. Bid Deadline

Each Bid must be transmitted via e-mail (in .pdf or similar format) so as to be **actually received** on or before **September 28, 2016 at 12:00 p.m. Central Time** (the "**Bid Deadline**") by each of the following parties (the "**Notice Parties**"):

- (a) counsel for the Debtor, Weissberg and Associates, Ltd., 401 South LaSalle Street, Suite 403, Chicago, Illinois 60605; Attn: Ariel Weissberg (ariel@weissberglaw.com);
- (b) counsel for Cathay Bank, Locke Lord LLP, 111 South Wacker Drive, Chicago, Illinois 60606, Attn: David J. Fischer and Phillip W. Nelson (david.fischer@lockelord.com; phillip.nelson@lockelord.com); and
- (c) the office of the United States Trustee for the Northern District of Illinois, 219 S. Dearborn St., Chicago, Illinois 60604, Attn.: Patrick S. Layng and Kathryn M. Gleason (USTPRegion11.ES.ECF@usdoj.gov; kathryn.m.gleason@usdoj.gov).

D. Qualified Bidders

- (a) A Bid that satisfies each of the Bid Requirements, as determined in the Debtor's reasonable business judgment, shall constitute a "**Qualified Bid**," and such Bidder shall be a "**Qualified Bidder**." The Debtor shall notify each Qualified Bidder that such party is a Qualified Bidder the day of the

Bid Deadline.

- (b) If any Bid is determined by the Debtor not to be a Qualified Bid, the Debtor shall cause such Bidder to be refunded its Deposit and all accumulated interest thereon on or within five (5) business days after the Bid Deadline.
- (c) Between the time that the Debtor notifies a Bidder that it is a Qualified Bidder and the Auction, the Debtor may discuss, negotiate, or seek clarification of any Qualified Bid from a Qualified Bidder. Except as otherwise set forth in the Bidder's proposed Purchase and Sale Agreement(s), without the written consent of the Debtor, a Qualified Bidder may not modify, amend, or withdraw its Qualified Bid, except for proposed amendments to increase the consideration contemplated by, or otherwise improve the terms of, the Qualified Bid, during the period that such Qualified Bid remains binding as specified herein. Any Qualified Bid may be improved at the Auction as set forth herein, but any improved Qualified Bid must continue to comply with the requirements for Qualified Bids set forth herein.

E. Auction

If one or more Qualified Bids are submitted, the Debtor will conduct the Auction to determine the Successful Bidder(s) with respect to the applicable Property. If no Qualified Bids other than the Stalking-Horse Bid are submitted, the Auction shall be canceled. If the Auction is canceled, the Stalking-Horse Bidder shall be designated as the Successful Bidder.

No later than **September 28, 2016 at 5:00 p.m. Central Time**, the Debtor will notify each Qualified Bidder of the highest or otherwise best Qualified Bid, as determined in the Debtor's reasonable business judgment (the "**Baseline Bid**"), and provide copies of the applicable Bid Documents supporting such Baseline Bid(s) to each Qualified Bidder. The determination of which Qualified Bid(s) constitutes the Baseline Bid(s) and which Qualified Bid(s) constitutes the Successful Bid(s) for the Property shall take into account any factors the Debtor reasonably deems relevant to the value of the Qualified Bid(s) to the Debtor's estates, including, *inter alia*: (a) the number, type, and nature of any changes to the applicable Purchase and Sale Agreement requested by the Qualified Bidder, including the obligations to be assumed in the Bid; (b) the amount and nature of the total consideration; (c) the likelihood of the Bidder's ability to close a transaction and the timing thereof; (d) the net economic effect of any changes to the value to be received by the Debtor's estate from the transaction contemplated by the Bid Documents; and (e) the tax consequences of such Qualified Bid (collectively, the "**Bid Assessment Criteria**").

The Auction shall take place at **2:00 p.m. Central Time on September 29, 2016**, at the offices of Weissberg and Associates, Ltd., 401 South LaSalle Street, Suite 403,

Chicago, Illinois 60605, or such later date and time as selected by the Debtor in consultation with the Stalking-Horse Bidder and Cathay Bank. When conducted, the Auction shall be conducted in a timely fashion according to the following procedures:

(a) The Debtor Shall Conduct the Auction.

The Debtor and its professionals shall direct and preside over the Auction. At the start of the Auction, the Debtor shall describe the terms of the Baseline Bid(s) for the Property. All incremental Bids made thereafter shall be Overbids (as defined herein) and shall be made and received on an open basis, and all material terms of each Overbid shall be fully disclosed to all other Qualified Bidders for the Property. The Debtor shall maintain a written transcript of all Bids made and announced at the Auction, including the Baseline Bid(s), all Overbids, and the Successful Bid(s). Only Qualified Bidders and their legal and financial advisors shall be entitled to attend the Auction, and the Qualified Bidders shall appear in person and through duly-authorized representatives at the Auction.

(b) Terms of Overbids

“Overbid” means any Bid made at the Auction by a Qualified Bidder subsequent to the Debtor’s announcement of the Baseline Bid(s). Each Overbid must comply with the following conditions:

- (i) Minimum Overbid Increment.** All Overbids at the Auction shall initially be in minimum increments of \$100,000 in cash. For the avoidance of doubt, any Bidder may submit an Overbid that is greater than \$100,000 in cash.
- (ii) Stalking-Horse Bidder Overbids.** The Stalking-Horse Bidder may make Overbids.
- (iii) Cathay Bank Overbids.** If any party makes an Overbid, Cathay Bank shall have the right to credit bid pursuant to section 363(k) of the Bankruptcy Code up to the amount of its judgment secured by the Property, \$9,658,879.74.
- (iv) Overbid Alterations.** An Overbid may contain alterations, modifications, additions, or deletions of any terms of the Bid no less favorable to the Debtor’s estate than any prior Qualified Bid or Overbid, as determined in the Debtor’s reasonable business judgment, but shall otherwise comply with the terms of these Bidding Procedures.
- (v) Announcing Overbids.** The Debtor shall announce at the Auction the material terms of each Overbid, the basis, whether subjective or objective, for calculating the total consideration offered in each

such Overbid, and the resulting benefit to the Debtor's estate based on, *inter alia*, the Bid Assessment Criteria.

During the course of the Auction, the Debtor shall, after the submission of each Overbid, promptly inform each Qualified Bidder which Overbid reflects, in the Debtor's view, the highest or otherwise best Bid.

(c) Closing of the Auction

- (i) The Auction shall continue until the Debtor determines in its reasonable business judgment, that it has obtained the highest or otherwise best Qualified Bid (such Qualified Bid, the "***Successful Bid***" and such Qualified Bidder, the "***Successful Bidder***"), at which point, the Auction will be closed. The Auction shall not close unless and until all Qualified Bidders have been given a reasonable opportunity to submit an Overbid at the Auction to the then-existing Overbid(s). Such acceptance by the Debtor of the Successful Bid is conditioned upon approval by the Court of the Successful Bid.
- (ii) For the avoidance of doubt, nothing in these Bidding Procedures shall prevent the Debtor from exercising its fiduciary duties under applicable law.
- (iii) The Debtor shall not consider any Bids or Overbids submitted after the conclusion of the Auction and any and all such Bids and Overbids shall be deemed untimely and shall under no circumstances constitute a Qualified Bid.
- (iv) As soon as reasonably practicable after closing the Auction, the Debtor shall cause the Bid Documents for the Successful Bid(s) and Backup Bid(s) to be filed with the Court.

(d) No Collusion; Good-Faith, Bona Fide Offer

Each Qualified Bidder participating at the Auction will be required to confirm on the record that: (i) it has not engaged in any collusion with respect to the bidding; and (ii) its Qualified Bid is a good faith bona fide offer and it intends to consummate the proposed transaction if selected as the Successful Bidder.

F. Backup Bidder

(a) Notwithstanding anything in these Bidding Procedures to the contrary, if an Auction is conducted, the Qualified Bidder(s) with the next-highest or otherwise second-best Qualified Bid at the Auction, as determined by the Debtor in the exercise of its reasonable business judgment, shall be required to serve as a backup bidder (the

“Backup Bidder”) at the amount of such next-highest or otherwise second-best Qualified Bid at the Auction (the **“Backup Bid”**).

(b) The identity of the Backup Bidder(s) and the amount and material terms of the Backup Bid(s) of the Backup Bidder(s) shall be announced by the Debtor at the conclusion of the Auction at the same time the Debtor announces the identity of the Successful Bidder(s). The Backup Bidder(s) shall be required to keep its or their Qualified Bid(s) (or if the Backup Bidder(s) submitted one or more Overbids at the Auction, its final Overbid(s)) open and irrevocable until the closing of the transaction with the Successful Bidder(s). The Backup Bidder’s Deposit shall be held in escrow until the closing of the transaction with the Successful Bidder.

(c) If a Successful Bidder fails to consummate an approved transaction contemplated by its Successful Bid, the Debtor may select the applicable Backup Bidder as the Successful Bidder, and such Backup Bidder shall be deemed a Successful Bidder for all purposes. The Debtor will be authorized, but not required, to consummate all transactions contemplated by the Bid of such Backup Bidder without further order of the Court or notice to any party. In such case, the defaulting Successful Bidder’s Deposit shall be forfeited to the Debtor, and the Trustee specifically reserves the right to seek all available remedies against the defaulting Successful Bidder, including with respect to specific performance.

(d) Absent any Qualified Bid that exceeds the Stalking-Horse Bid, Cathay Bank shall be the Backup Bidder with a credit bid of its debt in the amount of \$6.0 million as the Backup Bid.

G. Highest or Otherwise Best Bid

When determining the highest or otherwise best Qualified Bid, as compared to other Qualified Bids, the Debtor may, in its sole discretion, consider the following factors in addition to any other factors that the Debtor deems appropriate: (a) the number, type, and nature of any changes to the applicable Purchase and Sale Agreement requested by the Qualified Bidder; (b) the amount and nature of the total consideration; (c) the likelihood of the Bidder’s ability to close a transaction and the timing thereof; (d) the net economic effect of any changes to the value to be received by the Debtor’s estates from the transaction contemplated by the Bid Documents; and (e) the tax consequences of such Qualified Bid.

H. Reservation of Rights

The Debtor reserves its rights to modify these Bidding Procedures, in its reasonable business judgment, and with the consent of the Stalking-Horse Bidder, in any manner that will best promote the goals of the bidding process, or impose, at or prior to the Auction, additional customary terms and conditions on the sale of the Property, including, without limitation: (a) extending the deadlines set forth in these Bidding Procedures; (b) adjourning the Auction at the Auction and/or adjourning the Sale Hearing

(as defined below) in open court without further notice; (c) adding procedural rules that are reasonably necessary or advisable under the circumstances for conducting the Auction; (d) canceling the Auction; (e) rejecting any or all Bids or Qualified Bids; and (f) adjusting the Minimum Overbid Increment, including by requesting that Qualified Bidders submit last or final bids on a “blind” basis.

I. Consent to Jurisdiction

All Qualified Bidders at the Auction shall be deemed to have consented to the jurisdiction of the Court and waived any right to a jury trial in connection with any disputes relating to the Auction, the construction and enforcement of these Bidding Procedures, and/or the Bid Documents, as applicable.

J. Sale Hearing

A hearing to consider approval of the Sale to the Successful Bidder(s) (the “*Sale Hearing*”) is presently scheduled to take place on **September 30, 2016 at 10:00 a.m. Central Time**, or as soon thereafter as counsel may be heard, before the Honorable Deborah L. Thorne in Courtroom 613, Everett McKinley Dirksen United States Courthouse, 219 South Dearborn Street, Chicago, Illinois, or any other judge who may be sitting in her place and stead. The Sale Hearing may be adjourned by the Court without further notice other than by announcement in open court or on the Court's calendar. At the Sale Hearing, the Debtor shall present the Successful Bid(s) to the Court for approval.

K. Return of Deposit

The Successful Bidder's Deposit, if any, shall be applied to the purchase price of such transaction at closing. The Deposits for each Qualified Bidder shall be held in one or more interest-bearing escrow accounts on terms acceptable to the Debtor in its sole discretion and shall be returned (other than with respect to any Successful Bidder or Backup Bidder) on or within five (5) business days after the Auction. Upon the return of the Deposits, their respective owners shall receive any and all interest that will have accrued thereon.

If a Successful Bidder fails to consummate a proposed transaction because of a breach by such Successful Bidder, the Debtor will not have any obligation to return the Deposit deposited by such Successful Bidder, which may be retained by the Debtor as damages, without limiting any and all rights, remedies, and/or causes of action that may be available to the Debtor, and the Debtor shall be free to consummate the proposed transaction with the applicable Backup Bidder without the need for an additional hearing or order of the Court.

L. Modification of Bidding Procedures

Except as provided by Section H hereof, these Bidding Procedures may not be modified except with the Debtor's and the Stalking-Horse Bidder's express written consent.