

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

Caption in Compliance with D.N.J. LBR 9004-1(b)

Eugene D. Roth, Esq.
Law Office of Eugene D. Roth
Valley Pk. East
2520 Hwy 35, Suite 307
Manasquan, NJ 08736
(732) 292-9288
erothersq@gmail.com
Attorney for Reorganized Debtor

In Re:

BETH ANN CARUSO,

Debtor.

Case No. 14-22846-CMG

Chapter 11

Honorable Christine M. Gravelle,
U.S.B.J.

Hearing Date and Time:
November 13, 2018 at 10:00 am

**NOTICE OF MOTION PURSUANT TO SECTION 363(b) AND (f) OF THE
BANKRUPTCY CODE AUTHORIZING AND APPROVING THE SALE OF REAL
PROPERTY WITH IMPROVEMENTS THEREON LOCATED AT 150 113th STREET,
STONE HARBOR, NEW JERSEY, FREE AND CLEAR OF ALL LIENS, CLAIMS,
ENCUMBRANCES AND INTERESTS WITH PROCEEDS TO ATTACH TO THE
ALLOWED SECURED CLAIM OF GARNET CAPITAL ADVISORS NP-1ST, LLC**

To: All Parties on Attached Service List

PLEASE TAKE NOTICE that on November 13, 2018 at 10:00 a.m., or as soon thereafter as counsel may be heard, Beth Ann Caruso, Reorganized Debtor (the “Debtor”), shall move before the Honorable Christine M. Gravelle at the United States Bankruptcy Court for the District of New Jersey, Clarkson S. Fisher U.S. Courthouse, 402 East State Street, Courtroom #3, Trenton, New Jersey 08608, for the entry of an order approving the sale of real property with improvements thereon located at 150 113th Street, Stone Harbor, New Jersey free and clear of liens, claims encumbrances and interests and approving payment of a secured claim.

PLEASE TAKE FURTHER NOTICE that the Debtor shall rely upon the Debtor's Certification and Memorandum of Law, which are being filed simultaneously herewith, in support of the relief sought. A proposed form of Order is also submitted herewith.

PLEASE TAKE FURTHER NOTICE that in accordance with D.N.J. LBR 9013-2(a), opposition to the relief requested, and, or cross-motions, if any, shall be filed with the Clerk of the Bankruptcy Court and served upon all parties in interest at least seven (7) days before the hearing date of the Motion.

PLEASE TAKE FURTHER NOTICE that unless objections are timely filed, the Motion shall be decided on the papers in accordance with D.N.J. LBR 9013-3(d), and the relief requested may be granted without further notice or hearing.

PLEASE TAKE FURTHER NOTICE that pursuant to D.N.J. LBR 9013-3(a), in the event the Motion is contested, there is a duty to confer to determine whether a consent order may be entered disposing of the Motion or to stipulate to the resolution of as many issues as possible.

PLEASE TAKE FURTHER NOTICE that in accordance with D.N.J. LBR 9013-3(e), unless the Court authorizes otherwise prior to the hearing date hereof, no testimony shall be taken at the hearing except by certification or affidavit.

Law Office of Eugene D. Roth,
Attorney for Reorganized Debtor

By: /s/ Eugene D. Roth, Esq
Eugene D. Roth, Esq

Dated: October 12, 2018

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

Caption in Compliance with D.N.J. LBR 9004-1(b)

Eugene D. Roth, Esq.
Law Office of Eugene D. Roth
Valley Pk. East
2520 Hwy 35, Suite 307
Manasquan, NJ 08736
(732) 292-9288
erothsq@gmail.com
Attorney for Reorganized Debtor

Case No. 14-22846-CMG

Chapter 11

Honorable Christine M. Gravelle,
U.S.B.J.

In Re:

BETH ANN CARUSO,

Debtor.

**MEMORANDUM OF LAW IN SUPPORT OF MOTION FOR THE ENTRY OF AN
ORDER PURSUANT TO SECTION 363 (b) AND (f) OF THE BANKRUPTCY
CODE AUTHORIZING AND APPROVING THE SALE OF REAL PROPERTY WITH
IMPROVEMENTS THEREON LOCATED AT 150 113th STREET, STONE HARBOR,
NEW JERSEY, FREE AND CLEAR OF ALL LIENS, CLAIMS, ENCUMBRANCES AND
INTERESTS WITH PROCEEDS TO ATTACH TO THE ALLOWED SECURED CLAIM
OF GARNET CAPITAL ADVISORS NP-1ST, LLC**

Beth Ann Caruso, Reorganized Debtor (the “Debtor”), by and through her counsel, Law Office of Eugene D. Roth, files the within Memorandum of Law in support of her Motion for approval of (a) sale of property located at 150 113th Street, Stone Harbor, New Jersey (the “Stone Harbor Property” or the “Property”), free and clear of liens, claims, encumbrances and interests and (b) payment of the secured claim of Garnet Capital Advisors-NP 1st, LLC (“Garnet”).

STATEMENT OF FACTS

The Debtor and her husband, Giulio Caruso (“Giulio”), are the owners of the Stone Harbor Property, which is encumbered by a first mortgage lien held by Garnet. In June of 2010, Garnet’s predecessor in interest obtained a foreclosure judgment against the Property which ultimately led to the Debtor’s Chapter 11 filing on June 23, 2014 (the “Petition Date”). On October 21, 2014, Garnet’s predecessor in interest filed a proof of claim in this case stating that as of the Petition Date, the amount owed Garnet was \$2,322,814.04.

On May 8, 2017, the Court entered an Order confirming the Debtor’s Second Amended Plan of Reorganization (the “Plan”). The Plan contemplated a loan modification of Garnet’s claim and the tender of adequate protection payments to Garnet’s predecessor pending consummation of a loan modification agreement. It further provided that, absent an approved loan modification agreement, the Property would be sold to satisfy Garnet’s claim.

Garnet asserted that the Debtor had failed to comply with the provisions of the Plan and therefore filed a Motion seeking, *inter alia*, to compel payment of adequate protection payments, to authorize Garnet to select a broker for the Property and to negotiate and enter into an agreement of sale for the Property (the “Garnet Motion”). In resolution of the Garnet Motion, the parties entered into an agreement (the “Settlement Agreement”) which set forth a framework for an expeditious sale of the Stone Harbor Property. It also permitted the Debtor and Giulio to continue to occupy the Property for the summer season and, upon the sale thereof, released them from any deficiency claim. The Settlement Agreement was approved by this Court on July 17, 2018.

In accordance with the Settlement Agreement, the Debtor retained Stephan Frame (“Frame”) of Diller and Fisher Real Estate as real estate broker for the Stone Harbor Property,

whose retention was approved by Order of this Court of July 30, 2018. Frame listed the Stone Harbor Property with the Multiple Listing Service at an initial listing price of \$2,500,000, the amount provided for under the Settlement Agreement, and engaged in substantial marketing efforts with respect to the Property, inclusive of conducting open houses for several weeks during the peak summer season. Frame's efforts resulted in several offers to purchase the Property, the highest being an offer received from Edward C. Mendrzcki, Jr. or his Assignee ("Buyer"), for the sum of \$2,535,000.

The Debtor, Guilio and the Buyer have entered into a contract of sale (the "Sale Agreement") for the Stone Harbor Property for the purchase price set forth above, which is subject to Court approval. The Buyer has (a) tendered purchase deposits totaling \$216,900, (b) agreed to waive any financing or inspection contingencies, and (c) committed to close on the sale within 45 days of Court approval of the Sale Agreement. Accordingly, the Debtor now seeks the entry of an order approving the sale of the Stone Harbor Property to the Buyer free and clear of all liens, claims, encumbrances and interests with the proceeds thereof to attach to the allowed secured claim of Garnet which shall be paid at closing after payment of (a) any customary closing costs, including, but not limited to broker's commission, Sellers' attorney's fees, real estate transfer taxes, real estate taxes and municipal liens; and (b) any fees due and owing to the U.S. Trustee's office. As of the Petition Date, Garnet was owed the sum of \$2,322,814.04. Since the Petition Date, Garnet has advanced the sum of \$49,285.45 in real estate taxes for the Stone Harbor Property as well as forced placed insurance in the amount of \$38,509.61 for a total claim of \$2,410,609.10 ("Garnet's Total Claim").¹ The anticipated net proceeds of sale are less than the

¹Garnet is also entitled to post-Petition interest and attorneys' fees as the value of the Stone Harbor Property exceeded its Claim on the Petition Date. Nonetheless, because the proceeds of sale of the Stone Harbor Property after customary closing costs are insufficient to satisfy the amount due Garnet pre-Petition plus post-Petition real estate tax and insurance advances, the Court need not address post-Petition interest and attorneys fees.

amount due Garnet as of the Petition Date plus post-Petition tax and insurance advances. Garnet will be waiving payment of accrued post-Petition interest and attorney's fees, which would otherwise significantly increase the amount due it.

LEGAL ARGUMENT

A. A Sale of the Property to the Purchaser Free and Clear of Liens, Claims and Encumbrances Should be Approved by the Court.

Section 363(b)(1) of the Bankruptcy Code provides that “[t]he trustee (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). A trustee's sale or use of assets outside the ordinary course of business should be approved by the Bankruptcy Court where it can be demonstrated that a sound business justification exists for the proposed transaction. See In re Martin, 91 F.3d 389, 395 (3d Cir. 1996) (citing, In re Schipper, 933 F.2d 513, 515 (7th Cir. 1991); In re Abbotts Dairies of Pennsylvania, Inc., 788 F.2d 143 (3d Cir. 1986.)

The proposed sale of the Stone Harbor Property was contemplated under the Debtor's Plan, which was confirmed by the Court and the Settlement Agreement with Garnet, which was approved by the Court. As those documents make clear, the Debtor and Giulio acknowledged that they lacked the means to service the debt against the Property and, as such, consented to an agreement which provides for a sale of the Property, with proceeds to be paid to Garnet. Every day that passes without payment of Garnet's debt exposes the estate to increased claims to the detriment of the estate and Garnet. Further, the sale here was the result of substantial marketing by the Debtor's Court retained broker, including multiple open houses during the peak summer season, which resulted in multiple offers for the Property. The offer sought to be approved is the highest offer received for the Property. Based upon the foregoing facts, ample justification exists for the sale of the Property to the Buyer,

Section 363(b) of the Bankruptcy Code, when read in conjunction with § 363(f), authorizes a sale of estate property free and clear of any interest in such property if any one of the five requirements listed in § 363(f) is met. Section 363(f) is framed in the disjunctive, and the sale free and clear of liens and interests may be approved even if only one of the five factors is met. In re Trans World Airlines, Inc., 323 F.3d 283, 290 (3d Cir. 2003). Specifically, § 363(f) provides:

- (f) The trustee may sell property under subsection (b) or (c) of this section free and clear of any interest in such property of an entity other than the estate only if --
 - (1) applicable non-bankruptcy law permits sale of such property free and clear of such interest;
 - (2) such entity consents;
 - (3) such interest is a lien and the price at which such property is to be sold is greater than the aggregate value of all liens on such property;
 - (4) such interest is in bona fide dispute; or
 - (5) such entity could be compelled, in a legal or equitable proceeding, to accept a money satisfaction of such interest.

Here, the proceeds of sale of the Property, after deduction of closing costs, is less than the amount of Garnet's claim. Thus, Garnet, which consents to the sale, is the only creditor that holds an "interest" in the Property as all subordinate liens, including but not limited to the second mortgage held by Bank of America and judicial liens appearing of record may be stripped off as the value of the property is less than Garnet's claim. In fact, the claim of Bank of America, has already been recharacterized as a general unsecured claim under the Plan, because the value of the Property does not exceed the amount owed to Garnet. The only other "interest" in the Property is the co-ownership interest held by Giulio, who has already consented to the sale of the Property. Accordingly, the requirements of 363(f)(3) have been met to permit a sale free and clear of liens, claims, encumbrances and interests.

CONCLUSION

For all the forgoing reasons, the Debtor submits that the relief requested herein is in all respects necessary, appropriate and beneficial to the Debtor, her creditors and the estate and that such relief should be granted in its entirety. The Debtor respectfully requests entry of an order granting the relief requested herein, together with such other and further relief as is just and proper.

Law Office of Eugene D. Roth
Attorneys for the Reorganized Debtor

Dated: October 12, 2018

/s/ Eugene D. Roth
By: Eugene D. Roth

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

Caption in Compliance with D.N.J. LBR 9004-1(b)

Eugene D. Roth, Esq.
Law Office of Eugene D. Roth
Valley Pk. East
2520 Hwy 35, Suite 307
Manasquan, NJ 08736
(732) 292-9288
erotesq@gmail.com
Attorney for Reorganized Debtor

In Re:

BETH ANN CARUSO,

Debtor.

Case No. 14-22846-CMG

Chapter 11

Honorable Christine M. Gravelle,
U.S.B.J.

CERTIFICATION OF BETH ANN
CARUSO

I, **BETH ANN CARUSO**, declare, under the penalty of perjury, as follows:

1. I am the Reorganized Debtor in connection with the above-referenced case. As such, I have personal knowledge of the facts set forth hereinafter.

2. I submit this Certification in support of my Motion seeking the entry of an Order approving the sale of real property with improvements thereon located at 150 113th Street, Stone Harbor, New Jersey (the “Stone Harbor Property” or the “Property”), free and clear of liens claims, encumbrances and interests with proceeds to attach to the allowed secured claim of Garnet Capital Advisors NP-1st, LLC (“Garnet”).

3. On June 23, 2014, I filed a Voluntary Chapter 11 Petition with this Court under Case No.: 14-22846-CMG on the eve of a sheriff’s sale on our prior residence located at 18 Country Meadow Drive, Colts Neck, NJ. Unfortunately, the property was lost in a sheriff’s sale during the pendency of this case.

4. Thereafter, a Second Amended Plan and Disclosure Statement was filed on September 9, 2015 and confirmed by Order of this Court on May 8, 2017 (the “Plan”).

5. The Plan provided, among other things, that the secured claim of Garnet’s predecessor, HSBC Bank USA, the primary mortgagee on the Stone Harbor Property, would be the subject of a loan modification application to be obtained within six months after confirmation with adequate protection payments of \$8,842 to be paid on a monthly basis during the six month period. It further provided that if we could not obtain a loan modification in such period, that the Property would be listed with a licensed real estate broker to be appointed by this Court for the purposes of selling the Property to satisfy the secured creditors claim within six months thereafter.

6. On October 6, 2017, this Court entered a Notice of Intention to Close Case. Thereafter, on February 1, 2018, Garnet filed a Motion to Compel Debtor’s Compliance with Chapter 11 Plan and granting other related relief, alleging that I had failed to satisfy the treatment of their claim under the terms of the Plan (“Motion to Compel”).

7. We opposed the Motion to Compel and a hearing was set by this Court for February 27, 2018. The Motion to Compel was resolved by the parties, the terms of which were incorporated into a Settlement Agreement, which agreement was approved by Order of this Court dated July 17, 2018. Additionally, my husband signed the Settlement Agreement and consented to the terms and conditions contained therein.

8. The Settlement Agreement allowed us to stay on the Property through labor day, required us to retain a broker to list and sell the Property under terms acceptable to Garnet and in the event that a sale took place, Garnet would waive any and all deficiencies under the terms of the mortgage note against us.

9. In accordance with the Settlement Agreement, the firm of Diller & Fisher Real Estate was appointed as the real estate broker on July 30, 2018.

10. On September __, 2018, my husband and I entered into a Contract of Sale as the Sellers with Edward C. Mendrzcki, Jr., the Buyer for the sale of the Stone Harbor Property (the "Contract of Sale") for the sum of \$2,535,000. A copy of the Contract of Sale is annexed to certification as Exhibit "A".

11. This is an arms-length transaction, secured by the real estate broker. My husband and I are not related to nor have any other connection with the Buyer and the price obtained actually exceeded the asking price.

12. The basis for filing this Motion free and clear of encumbrances is due to the fact that the purchase price is less than the amount due Garnet on its mortgage and to allow for the sale of the property free and clear of subordinate liens, including but not limited to the second mortgage of Bank of America and any judicial liens against either myself or my husband.

13. For all the forgoing reasons it is respectfully submitted that the Court grant my Motion seeking the entry of an Order approving the sale of real property with improvements thereon located at 150 113th Street, Stone Harbor, New Jersey free and clear of liens claims, encumbrances and interests with proceeds to attach to the allowed secured claim of Garnet Capital Advisors NP-1st, LLC.

Pursuant to 28 U.S.C. § 1746, I hereby declare under penalty of perjury that the foregoing statements are true.

Dated: October 12, 2018

/s/ Beth Ann Caruso
Beth Ann Caruso

gas, the Buyer will buy the fuel oil or propane gas in the tank at the closing date. The price will be the current price at that time as calculated by the supplier.

8. **PAYMENT OF EXPENSES.** The Seller will pay for the drawing of the deed, all transfer fees required, except those attributed to Buyer under New Jersey Statutory Law, including notary fees and one-half of all title company settlement fee charges. In cases where the property is zoned for residential use, whether improved or not, and the consideration is in excess of One Million (\$1,000,000.00) dollars, Buyer is responsible to pay 1% of the entire amount of the consideration as Buyer's share of the realty transfer fees. New Jersey law now requires non-resident individuals, estates or trusts that sell or transfer real property in New Jersey to make an estimated Gross Income Tax Payment prior to the recording of the Deed, the payment must be remitted to the Division of Taxation prior to closing or can be made at closing. The estimated payment is made by multiplying the Seller's gain times the Gross Income Tax highest rate of 8.97%. In no cases may the estimated payment be less than 2% of the consideration paid. Prior to closing, taxpayers prepaying will complete the Non-Resident Seller's Tax Prepayment Receipt form along with an NJ 1040 ES and file them directly or through Buyer's title company with the Division of Taxation Regional Branch Office nearest the property. Sellers not prepaying will complete the Non-Resident Seller's Tax Declaration form and make payment at closing.

Sellers that meet one of the following conditions are not required to make estimated payments and will complete the form entitled Seller's Residency Certification/Exemption which must be submitted at closing:

- Seller is a resident of New Jersey and will be filing a Resident Gross Income Tax return for the year of the sale.
- Seller will be claiming an income exclusion under Section 121 of the Internal Revenue Code of 1986 for the property being sold.
- Seller is a mortgagor conveying the mortgaged property to a mortgagee in foreclosure or in a transfer in lieu of foreclosure with no additional consideration.
- Seller, transferor or transferee is an agent or authority of the United States of America, or the State of New Jersey, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association or a private mortgage insurance company.
- Seller is not an individual, estate or trust and as such is not required to make an estimated payment pursuant to New Jersey law. Seller must submit the Seller's Residency Certification/Exemption, the Non-Resident Seller's Tax Prepayment Receipt or the Non-Resident Seller's Tax Declaration and tax payment to the County Clerk's office when the Deed is recorded or insure that the Buyer's title company does so. Buyer understands that no Deed for the sale or transfer of real property shall be accepted or recorded by the County Recording Office without the simultaneous filing of the appropriate forms with any required payment to the tax due or proof of payment. Any questions in regard to this should be directed to 609-292-6400.

All title searches, insurance and other conveying expenses are to be paid by the Buyer.

9. **BULK SALES LAW.** Buyer shall have the right to comply with N.J.S.A. 54:32B-22(c) and N.J.S.A. 54:50-38 and Seller shall cooperate in connection with such compliance. In furtherance thereof: (i) Seller shall prepare and deliver to Buyer the Asset Transfer Tax Declaration (the "ATTD") in the form prescribed by the Director of the New Jersey Division of Taxation (the "DIRECTOR"), so that such form is received by Buyer not fewer than twenty (20) days prior to Closing; and (ii) Buyer may deliver a Notification of Sale, Transfer of Assignment in Bulk (Form C-9600), together with the completed ATTD and a fully executed copy of this Agreement (the "TAX NOTIFICATION") to the Director by registered or certified mail or personal delivery, so that such Tax Notification is received by the Director not fewer than fifteen (15) days prior to Closing. Seller shall provide all information reasonably requested by Buyer to enable Buyer to complete the Tax Notification as soon as practicable. If, at any time prior to Closing, the Director informs Buyer that a possible claim ("TAX CLAIM") exists for taxes imposed or to be imposed on Seller, including any interest or penalties thereon, any cost or fees imposed or to be imposed by the Director relating thereto, and any tax on the gain from the sale of the Property, (collectively, "TAXES") and the amount thereof (the "DEFICIENCY"), then at Closing a portion of the purchase price in the amount of the Deficiency shall be placed in an account (the "TAX ESCROW") with Escrowee, to be held by Escrowee in accordance with the terms of this Section. Notwithstanding anything to the contrary herein, Seller shall have the right to negotiate with the Director regarding the Tax Claims and the Deficiency, provided, however, that: (a) Buyer shall be entitled to comply with all of the provisions of the Director in establishing and funding the Tax Escrow; (b) Closing shall not be delayed as a result hereof; and (c) Buyer shall not be liable for any amount in excess of the Tax Escrow. If, after Closing, the Director of Seller requests that the Escrowee pay all or any portion of the Deficiency on behalf of the Seller, then Buyer shall direct the Escrowee to, and the Escrowee shall, promptly pay to the Director the amount so specified. Upon the Director's issuance of a letter of clearance with respect to Seller, the Escrowee shall distribute to Seller any balance remaining in the Tax Escrow. In no event shall the Escrowee fail to make any distribution provided for in this Section, including without limitation, on the grounds that Seller contests any finding of the Director. Notwithstanding anything to the contrary herein, Seller shall not be liable for any Taxes (including, but not limited to, Taxes owed in connection with the use and operation of the Property prior to Closing, or any Taxes on any gain realized upon the sale, transfer or assignment of the Property) and Seller shall indemnify and hold Buyer harmless from any liability or cost incurred in connection with any Tax Claim for any such Taxes, including any interest and penalties thereon and costs and fees imposed by the Director relating thereto. Notwithstanding anything to the contrary herein, the indemnification provision in this Section shall exclude any liability or penalty imposed on Buyer by the Director relating from Buyer's failure fully to comply with N.J.S.A. 54:32B-22(c) and N.J.S.A. 54:50-38. The indemnification provision in this Section shall survive the termination of this Agreement and/or Closing under this Agreement.

10. **BUYER FINANCIALLY ABLE TO CLOSE.** Buyer represents that Buyer has sufficient cash available together with the mortgage financing referred to in Paragraph five (5) to complete this purchase.

11. **BROKERS TO RECEIVE CLOSING DOCUMENTS.** Buyer and Seller agree that Brokers involved in this transaction will be provided with the Closing Disclosure documents and any amendments to those documents in the same time and manner as the Consumer Financial Protection Bureau requires that those documents be provided to the Buyer and Seller.

12. **TRANSFER OF OWNERSHIP.** At the closing, the Seller will transfer ownership of the property to the Buyer. The Seller will give the Buyer a properly executed deed and a usual affidavit of title. If the Seller is a corporation, it will also deliver a corporate resolution authorizing the sale.

13. **TYPE OF DEED.** A deed is a written document used to transfer ownership of the property. In this sale, the Seller agrees to provide and the Buyer agrees to accept a deed known as a: Bargain and Sale Deed with Covenants Against Grantors Acts.

14. **ITEMS INCLUDED IN SALE.** The property being transferred includes all fixtures permanently attached to the building(s), all shrubbery, planting and fencing. Also included: ALL ITEMS AS SHOWN ON SEPTEMBER 5, 2018.

Buyer's Initials

DS
ELM

Page 4

Seller's Initials

DS
BC

15. **PHYSICAL CONDITION OF PROPERTY.** Other than as set forth in this paragraph, the Seller does not make any claims or promises about the condition or value of the property. The Buyer has inspected the property and relies on this inspection and any rights which may be provided elsewhere in this contract. The Buyer does not rely on any representation made by the Seller. The Seller agrees to maintain the property in its current condition until closing, subject to ordinary wear and tear. The roof shall be free of leaks and all plumbing, heating and electrical systems shall be in working order at the time of final settlement. The Seller further states, that to the best of the Seller's knowledge, there are currently no major structural defects to the building(s) located on the property except: NONE KNOWN.

16. **WOOD BORING INSECT INSPECTION.** Prior to closing, at the Buyer's expense, the parties shall be inspected by a licensed pest control operator. If such inspection discloses evidence of infestation and/or structural damage caused by termites or other wood boring insects, Seller shall pay the cost of any necessary treatment and/or needed structural repairs up to a maximum cost of \$8. If the cost of any necessary treatment and/or needed structural repairs exceeds this amount, and the Buyer is unwilling to assume any excess, Seller shall have the option to paying for said necessary treatment and/or needed structural repairs or returning all deposit monies in full to Buyer, in which event, this Agreement shall become null and void, there being no further liability on the part of either party to this agreement.

17. **BUYER'S RIGHT TO INSPECTION.** It is recommended that Buyer have a home inspection. Such inspection must be completed within 10 business days after any escrow contract. If the Buyer fails to make the inspection within this period of time, the Buyer will be considered to have waived this right. **Buyer waives right to inspection.**

18. **INSPECTION OF PROPERTY.** The Seller agrees to permit the Buyer to inspect the property at a reasonable time before the closing. The Seller will permit access for all inspections provided for in this contract.

In addition to the inspections set forth elsewhere in this Contract, Seller agrees to permit Buyer or Buyer's duly authorized representative to conduct an initial and final walk through inspection of the interior and exterior of the Property at any reasonable time before the Closing. Seller shall have all utilities in service for the inspection.

19. **BUILDING AND ZONING LAWS.** The Seller:

a). states that to the best of their knowledge, the present use of the property:
☒ Does not violate any applicable ordinance, building code or other law. ☐ Is a pre-existing non-conforming use.

b). Makes no representation concerning existing zoning ordinances except that Seller's present use of the property may continue as a Single Family House.

c). Understands some municipalities require a Certificate of Continued Occupancy or other form of municipal inspection to be undertaken to transfer Title. If required for this property, the Seller shall, at Seller's expense, be responsible to pay for any inspection fees and to make repairs required in order to obtain the necessary certificate or letter up to a maximum cost of \$250. If the cost of the necessary repairs exceeds this amount, and the Buyer is unwilling to assume any excess, the Seller shall have the option of paying for the excess or returning all deposit monies in full to the Buyer, in which event, this Agreement shall become null and void.

d). Also states that to the best of their knowledge, there are no Deed Restrictions that would limit the use of this property to a greater degree than the existing Zoning Ordinances except: NONE KNOWN.

20. **REFERRALS.** Seller and Buyer may require the names of attorneys, inspectors, engineers, tradespeople or other professionals from Broker and/or salespersons involved in the transaction. Any names provided by Brokers and/or salespersons shall not be deemed to be a recommendation or testimony of competency of the person or persons referred. Seller and Buyer shall assume full responsibility for their selection(s) and hold Brokers and/or salespersons harmless for any claim or actions resulting from the work or duties performed by these professionals.

21. **PROPERTY LINES.** The Buyer, at their own expense, may obtain a current survey to determine the correctness of the property lines. The Seller states that to the best of their knowledge, all buildings, driveways, and other improvements on the property are within the boundary lines and no improvements on adjoining properties are known to extend across the boundary lines of this property except: NONE KNOWN.

22. **CORRECTING DEFECTS.** If the property does not comply with paragraphs 19 and/or 21 of this contract, the Seller will be notified and given thirty (30) days to make it comply. If the property still does not comply after that date, the Buyer may cancel this contract or give the Seller more time to comply.

23. **OWNERSHIP.** The Seller agrees to transfer and the Buyer agrees to accept ownership of the property free of all claims and rights of others, except for the rights of utility companies and government agencies to maintain pipes, drains, poles, cables and wires over, on and under the property, street, the part of the property next to the street or running to any house or other improvements on the property. The ownership of the Buyer must be insurable at regular rates by any title insurance company authorized to do business in New Jersey, subject only to the above exceptions. If the Seller cannot produce such insurable title, the Buyer will have the choice of accepting such title as Seller can produce or of canceling this agreement and obtaining the return of all deposit monies paid together with all reasonable expenses actually incurred for examining title and survey.

24. **SELLER'S RIGHT TO PAY CLAIMS AT CLOSING.** The Seller shall have the privilege of paying off any person with a claim or right affecting the property from the proceeds of this sale at the time of closing.

25. **RISK OF LOSS.** The risk of loss or damage to the property by fire or otherwise, exceeding ordinary wear and tear, is on the Seller until the closing.

26. **CANCELLATION and DEFAULT CLAUSE.** The parties have the right to cancel this contract under certain circumstances described in this contract. In such case, a party must give written notice to the other party. If this contract is cancelled, the deposit shall be promptly returned to the Buyer, and the Seller and Buyer shall be released from all further liability to each other and to the Broker(s). If the Buyer does not make settlement in accordance with the terms of this contract, all deposit monies may be retained by the Seller on account of the purchase price or as compensation for damages and expenses which the Seller has incurred. If the Seller elects to consider the deposit monies as compensation for damages, this contract shall be cancelled without any further liability on either party, except the Seller may be liable to the Broker for commission according to the terms of the Seller's Listing Contract. In the event that the Seller does not perform in accordance with this contract, the Buyer has the choice of demanding return of all deposit monies, together with reasonable costs incurred for an examination of title, survey, mortgage application fees and any inspection fees relating to the purchase of this property, or the Buyer may initiate any legal or equitable action to which Buyer may be entitled to.

Buyer's Initials ELM

Seller's Initials BC

In the event settlement is not held in accordance with this contract and if a dispute arises in which the parties cannot agree as to the disposition of deposit monies, it is agreed that DILLER & FISHER - Interest accruing to buyer, shall act as Escrow Agent and shall retain the monies in escrow until disposition of the monies is agreed to by mutual consent of the Buyer and Seller or until ordered by a Court of competent jurisdiction. The Escrow Agent is without liability and held harmless except in the case of the Escrow Agent's gross negligence. The Escrow Agent holding such deposit monies may unilaterally deposit funds to the Superior Court of New Jersey, pursuant to the court rules and laws in the State of New Jersey.

United States Bankruptcy Court for District of New Jersey

27. **BROKER(S).** The Seller and the Buyer recognize Diller & Fisher Real Estate as the Broker(s) who brought about this sale. The sale was negotiated and made between the Buyer and Seller. The Seller shall pay the Broker(s) a commission of 5% OF PURCHASE PRICE.

28. **ASSESSMENTS.** All Assessments which may be imposed by the municipality for public improvements which have been completed as of the date of this Agreement are to be paid in full by the Seller or credited to the Buyer at the Closing.

29. **POSSESSION.** At the closing, the Buyer will be given possession of the property. Exceptions: NONE.

30. **NO RELIANCE ON OTHERS.** This Agreement is entered into based on the knowledge of the parties as to the value of the land and whatever buildings or improvements are upon the land and not on any representations made by the Buyer or Seller, the named Broker(s) or their agents as to character, quality or value.

31. **NOTICES.** All notices shall be by certified mail, fax, email, recognized overnight courier or electronic signature (except for notices under the Attorney Review Clause Section) or by delivering it personally. The certified letter, email, reputable overnight carrier, fax or electronic signatures will be effective upon sending. Notices to Seller and Buyer shall be addressed to the addresses in Section 1, unless otherwise specified in writing by the respective party.

32. **NO ASSIGNMENT.** This Agreement shall not be assigned without the written consent of the Seller. This means that the Buyer may not transfer his rights under this Agreement without the consent of the Seller.

33. **NO RECORDING.** This Agreement shall not be recorded without the written consent of all parties.

34. ATTORNEY REVIEW.

1. **Study by Attorney**
The Buyer or the Seller may choose to have an attorney study this contract. If an attorney is consulted, the attorney must complete his or her review of the contract within a three (3) day period. This contract will be legally binding at the end of this three (3) day period unless an attorney for the Buyer or the Seller reviews and disapproves of the contract.

2. **Counting the Time**
You count the three days from the date of delivery of the signed contract to the Buyer and the Seller. You do not count Saturdays, Sundays, or legal holidays. The Buyer and the Seller may agree in writing to extend the time (3) days for attorney review.

3. **Notice of Disapproval**
If an attorney for the Buyer or the Seller reviews and disapproves of this contract, the attorney must notify the BROKER(S) and the other party named in this contract within the three (3) day period. Otherwise, this contract will be legally binding as written. The attorney must send the notice of disapproval to the BROKER(S) by certified mail, by telegram, or by delivering it personally. The telegram or certified letter will be effective upon sending. The personal delivery will be effective upon delivery to the BROKER(S) office. The attorney may also, but need not, inform the BROKER(S) of any suggested revision(s) in the contract that would make it satisfactory.

35. **LEAD PAINT DOCUMENT ACKNOWLEDGMENT. (APPLIES TO DWELLINGS BUILT BEFORE 1978)** Buyer acknowledges receipt of EPA pamphlet entitled "Protect Your Family From Lead In Your Home". A copy of a document entitled "Disclosure of Information and Acknowledgment Lead-Based Paint and Lead-Based Paint Hazards" has been fully completed and signed by Buyer, Seller and BROKER(S) and is appended to this Agreement as Addendum "A" and is part of this Agreement.

36. **CONSUMER INFORMATION STATEMENT ACKNOWLEDGMENT.** By signing below, the Sellers and purchasers acknowledge they received the Consumer Information Statement on New Jersey Real Estate Relationships from the brokerage firms involved in this transaction prior to the first showing of this property.

37. DECLARATION OF LICENSEE BUSINESS RELATIONSHIP(S).

a). I, Stephan J. Frame, as an Authorized Representative of Diller & Fisher Real Estate, 9614 Third Avenue, Stone Harbor, NJ 08247 am working in this transaction as a:
☐ Seller's Agent ☐ Buyer's Agent ☒ Disclosed Dual Agent ☐ Transaction Broker

b). Information supplied by NONE has indicated that it is operating in this transaction as a:
☐ Seller's Agent ☐ Buyer's Agent ☐ Disclosed Dual Agent ☐ Transaction Broker.

The commission, in accord with the previously executed listing agreement, shall be due and payable at the Closing and payment by Buyer of the purchase consideration for the Property. Seller hereby authorizes and instructs whomever is the disbursing agent to pay the full commission as set forth below to the below mentioned Brokerage Firm(s) out of the proceeds of sale prior to the payment of any such funds to Seller. Buyer consents to the disbursing agent making said disbursements. The commission shall be paid upon the purchase price set forth in Section 2 and shall include any amounts allocated to, among other things, furniture and fixtures.

Diller & Fisher Real Estate
Listing Firm

7800747
REC License Id

Stephan J. Frame
Listing Agent

8833010
REC License Id

9614 Third Avenue, Stone Harbor, NJ 08247
Address

Buyer's Initials ELM

(609) 368-3311 Office Phone	(609) 967-5177 Fax	(609) 368-3311 Agent Contact Phone
Diller & Fisher Real Estate Buyer's Firm		7800747 REC License Id
Stephen J. Frame Buyer's Agent		8833010 REC License Id
9614 Third Avenue, Stone Harbor, NJ 08247 Address		
(609) 368-3311 Office Phone	(609) 967-5177 Fax	(609) 368-3311 Agent Cell Phone

5% OF PURCHASE PRICE
Commission due Broker(s)

38. **COUNTERPARTS and/or FACSIMILE SIGNATURE.** This contract may be executed in any number of counterparts, including counterparts transmitted by telecopier, or FAX, any of which shall constitute an original of this contract. When counterparts or facsimile copies have been executed by all parties, they shall have the same effect as if the signatures to each counterpart or copy were upon the same document and such copies shall be deemed valid as originals. All parties agree that all such signatures may be transferred to a single document upon the request of any party.

39. **DATES AND TIMES FOR PERFORMANCE.** Seller and Buyer agree that all dates and times included in the Contract are of the essence. This means that Seller and Buyer must satisfy the terms of this Contract within the time limits that are set in the Contract or will be in default, except as otherwise provided in this Contract or required by applicable law, including but not limited to if the Closing has to be delayed either because a lender does not timely provide documents through no fault of Buyer or Seller or for three (3) business days because of the change in terms as required by the Consumer Financial Protection Bureau.

40. **SMOKE DETECTOR INSPECTION AND CERTIFICATE.** The Seller, at the Seller's sole expense, shall obtain and produce at settlement, a certificate evidencing that the property complies with the requirements of The Uniform Fire Safety Act as supplemented by New Jersey Statutes Annotated 305 52-27D-198.1. This law requires that the property contain smoke sensitive alarm devices in specific areas and that no sale or change of occupancy is permitted without obtaining a certificate evidencing compliance with the act.

The Certificate of Smoke Detector and Carbon Monoxide Alarm Compliance (CSDCMAC), as required by law, shall be the responsibility of the Seller.

41. **FLOOD HAZARD AREA.** The Buyer acknowledges that the property: ☒ is, ☐ is not, ☐ may be within a Flood Hazard Area. The Buyer waives any rights Buyer may have to cancel this contract for this reason, provided flood insurance is available for this property and if property is located in a flood hazard area.

42. **AIRPORT SAFETY ZONE.** The Air Safety and Zoning Act of 1983 requires Buyers of certain properties be notified that the property being purchased may be located in an Airport Safety Zone. The Buyer acknowledges that in the event that this property is located in an Airport Safety Zone as delineated under this act, the Buyer has received an acknowledged written notice of this fact from a Broker.

43. **PARTIES LIABLE.** This contract is binding upon all parties who sign it and all who succeed to their rights and responsibilities. If Buyer or Seller is a corporate or other entity, the person signing below on behalf of the entity represents that all required corporate resolutions have been duly approved and the person has the authority to sign on behalf of the entity.

44. **MEGAN'S LAW STATEMENT.** Under New Jersey Law, the County Prosecutor determines whether and how to provide notice of the presence of convicted sex offenders in an area. In their professional capacity, real estate licensees are not entitled to notification by the County Prosecutor under Megan's Law and are unable to obtain such information for you. Upon closing, the County Prosecutor may be contacted for such further information as may be disclosable to you.

45. **NOTICE OF OFF SITE CONDITIONS.** Pursuant to the New Resident Construction Off-site Conditions Disclosure Act, P.L. 1995, C. 253, the Clerks of Municipalities in New Jersey maintain lists of off-site conditions which may affect the value of residential properties in the vicinity of the off-site condition. Purchasers may examine the list and are encouraged to independently investigate the area surrounding this property in order to become familiar with any off-site conditions which may affect the value of the property. In cases where a property is located near the border of a municipality, purchasers may wish to also examine the list maintained by the neighboring municipality. Purchasers of new construction have five (5) days to inspect the records and may cancel this contract if the information found is unsatisfactory to the Buyer. The location of the municipal clerk for this property is: STONE HARBOR MUNICIPAL HALL 95TH AND SECOND AVE, STONE HARBOR, NJ 08247.

46. **AOFF MARKET CLAUSE.** UPON FULL EXECUTION OF THIS AGREEMENT, SELLER AGREES TO REMOVE THIS PROPERTY FROM THE SALE MARKET THROUGH THE ATTORNEY REVIEW PERIOD. SELLER WILL NOT CONSIDER ANY ADDITIONAL OFFERS AND THE BUYER WILL NOT MAKE OFFERS ON ANY OTHER PROPERTIES DURING THIS TIME.

47. **AS IS CLAUSE.** THE PROPERTY IS BEING SOLD IN AS IS CONDITION

48. **ENTIRE AGREEMENT.** This contract contains the entire agreement of the parties. No representations have been made by any of the parties, the BROKER(S) or their agents except as set forth in this Agreement.

Buyer's Initials DS
ELM

WITNESSED OR ATTESTED BY:

SIGNED AND AGREED TO BY:

As to Seller

Date

9/21/18

Seller: CHULIO CARUSO
21 ASTOR DRIVE, MANALAPAN, N.J. 19073
Telephone:
Tax Id:

(L.S.)

Seller: BETH CARUSO
21 ASTOR DRIVE, MANALAPAN, N.J. 19073
Telephone:
Tax Id:

(L.S.)

As to Buyer

9/9/2018 12:01:31 PM PDT

Date

DocuSigned by:

Edward C. Mendrzycki Jr.

(L.S.)

Buyer: EDWARD C. MENDRZYCKI JR. AND OR ASSIGNEE
23 GARDEN STREET, CHATHAM, N.J. 07925
Telephone:
Tax Id:

Diller & Fisher Real Estate, 9614 Third Avenue, Stone Harbor, NJ 08247 (609) 368-3311
BROKER Address Telephone

Buyer's Initials ECMJ

1. **Bankruptcy Court Approval.** – The Contract for Sale is subject to the entry of an Order approving the sale of the Property to the Buyer by the United States Bankruptcy Court, District of New Jersey (the "Approval Order") in the action entitled *In re: Caruso*, Case No. 14-22846 (CMG).
2. **Closing.** The Closing shall take place on the forty-fifth day after entry of the Approval Order (the "Closing Date"). The closing shall occur in escrow through the title company designated by the Seller.
3. **Title Insurance.** In addition to the requirements set forth in paragraph 23, Buyer shall obtain a commitment for title insurance (the "Title Binder") from a title insurance company designated by the Seller. In the event that the Title Binder discloses any encumbrance or exception that renders title to the property unmarketable or in violation of this paragraph, the Buyer shall be required to provide written notice to the Seller within 10 days of issuance of the Title Binder specifying the title objection. The Seller shall have up to 60 days from receipt of such notice to remedy any title objection. If the Seller refuses or fails to remedy any title objection, the Buyer may elect to either (i) accept such title as the Seller is able to convey on the closing date without any reduction of the purchase price, or (ii) terminate this Contract without any liability to the Seller. If the Buyer fails to make such election within 5 days of notice from the Seller of the Seller's refusal or failure to remedy the title objection, the Buyer shall be deemed to have elected the termination option.
4. **Notice.** All notices in the agreement shall be provided to counsel for the Seller, [address to be provided].
5. **Viewing.** Seller shall allow the Buyer to view the property after October 7, 2018 and prior to the Closing Date. Buyer acknowledges that the viewing is being provided as an accommodation to the Buyer as Buyer waives its right to a home inspection and Seller has no obligation to conduct any repairs as a result of such viewing.

Signed and Agreed to By:

Seller:

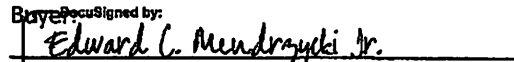

Giulio Caruso

Seller:


Beth Caruso

Dated:

Buyer:


Edward C. Mendrzycki, Jr. or Assignee

Dated: 9/9/2018 12:01:31 PM PDT

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY
Caption in Compliance with D.N.J. LBR 9004-2(c)

Eugene D. Roth, Esq.
Law Office of Eugene D. Roth
2520 Hwy 35, Suite 307
Manasquan, New Jersey 08736
Attorneys for Beth Ann Caruso, Reorganized Debtor

In Re:

Beth Ann Caruso,

Debtor.

Chapter 11

Case No. 14-22846 (CMG)

Hearing Date: November 13, 2018

Judge: Christine M. Gravelle

**ORDER, PURSUANT TO SECTION 363(B) AND (F) OF THE BANKRUPTCY CODE,
AUTHORIZING AND APPROVING THE SALE OF REAL ESTATE WITH
IMPROVEMENTS THEREON LOCATED AT 150 113TH ST., STONE HARBOR, NEW
JERSEY, FREE AND CLEAR OF ALL LIENS, CLAIMS, ENCUMBRANCES AND
INTERESTS AND APPROVING PAYMENT OF SECURED CLAIM**

The relief set forth on the following pages numbered two (2) through five (5) is hereby
ORDERED.

Page 2

Debtor: Beth Ann Caruso

Case No.: 14-22846 (CMG)

Caption of Order: ORDER, PURSUANT TO SECTION 363(B) AND (F) OF THE
BANKRUPTCY CODE, AUTHORIZING AND APPROVING THE
SALE OF REAL ESTATE WITH IMPROVEMENTS THEREON
LOCATED AT 150 113TH ST., STONE HARBOR, NEW JERSEY,
FREE AND CLEAR OF ALL LIENS, CLAIMS, ENCUMBRANCES
AND INTERESTS AND APPROVING PAYMENT OF SECURED
CLAIM

This matter having been brought before the Court by Beth Ann Caruso, Reorganized Debtor (the “Debtor”), by and through her counsel, the Law Offices of Eugene D. Rothby Motion (the “Sale Motion”) for the entry of an order pursuant to Section 363(b), (f) of the United States Bankruptcy Code (the “Bankruptcy Code”) authorizing and approving the sale of real estate with improvements thereon located at 150 113th Street, Stone Harbor, New Jersey assessed as Lots 41 and 43 in Block 112.02 in Borough of Stone Harbor (the “Property”), free and clear of all liens, claims, encumbrances and interests; and due and proper notice of the Sale Motion having been provided to all parties required to receive notice; and it appearing that the relief requested in the Sale Motion is in the best interest of creditors and the estate; and any objections to the Sale Motion having been resolved, withdrawn or overruled by this Court; and good and sufficient cause appearing for the granting of the relief requested in the Sale Motion,

IT IS HEREBY ORDERED:

1. The Sale Motion is granted in all respects.
2. The Sale Agreement¹, annexed hereto as Exhibit A, is hereby approved.
3. Pursuant to section 363(b) and (h) of the Bankruptcy Code, the Debtor and Giulio Caruso (“Giulio”), the Debtor’s husband, are authorized and directed to sell the Property to

¹ All capitalized terms, not otherwise defined herein, shall have the meaning set forth in the Sale Motion.

Page 3

Debtor: Beth Ann Caruso

Case No.: 14-22846 (CMG)

Caption of Order: ORDER, PURSUANT TO SECTION 363(B) AND (F) OF THE
BANKRUPTCY CODE, AUTHORIZING AND APPROVING THE
SALE OF REAL ESTATE WITH IMPROVEMENTS THEREON
LOCATED AT 150 113TH ST., STONE HARBOR, NEW JERSEY,
FREE AND CLEAR OF ALL LIENS, CLAIMS, ENCUMBRANCES
AND INTERESTS AND APPROVING PAYMENT OF SECURED
CLAIM

Edward C. Mendrzycki Jr. and/or his assignee (the “Purchaser”) for the sum of \$2,535,000 (the “Purchase Price”).

4. Pursuant to section 363(f) of the Bankruptcy Code, the sale of the Property to the Purchaser is free and clear of any and all liens, claims, encumbrances and interests, inclusive of, but not limited to those identified on the attached Schedule A, except any municipal assessments, real estate tax liens or utility liens.

5. The sale of the Property to the Purchaser shall constitute a legal, valid and effective transfer of title to the Property.

6. The Debtor and Giulio are authorized and directed to execute and deliver such documents and take such other actions as may be necessary, desirable or appropriate to effect, implement and/or consummate the sale of the Property to the Purchaser without further application to this Court.

7. In the event the Debtor or Giulio willfully fail to execute any document required to effect, implement, or consummate the sale, Garnet Capital Advisors-NP-1st, LLC (“Garnet”) is hereby appointed as attorney in fact for the Debtor and Giulio in order to consummate the sale by executing and delivering all documents necessary to consummate the sale.

8. The Purchaser may retain or dispose of any personalty remaining at the Property subsequent to the closing without notice to the Debtor or Giulio.

Page 4

Debtor: Beth Ann Caruso

Case No.: 14-22846 (CMG)

Caption of Order: ORDER, PURSUANT TO SECTION 363(B) AND (F) OF THE
BANKRUPTCY CODE, AUTHORIZING AND APPROVING THE
SALE OF REAL ESTATE WITH IMPROVEMENTS THEREON
LOCATED AT 150 113TH ST., STONE HARBOR, NEW JERSEY,
FREE AND CLEAR OF ALL LIENS, CLAIMS, ENCUMBRANCES
AND INTERESTS AND APPROVING PAYMENT OF SECURED
CLAIM

9. Diller and Fisher shall be paid a broker's commission from the sale of the Property of five (5%) percent of the Purchase Price without further application to the Court.

10. Garnet be paid their allowed secured claim in the amount of \$2,410,609.10 (the "Garnet Allowed Claim"), after payment of (a) any customary closing costs, including, but not limited to broker's commission, Sellers' attorney's fees, real estate transfer taxes, real estate taxes and municipal liens; and (b) any fees due and owing to the U.S. Trustee's office, Garnet shall be paid the remaining proceeds of sale until such time as Garnet's Allowed Claim is paid in full.

11. In the event that the Purchaser fails to close on or before the Closing Date (as such term is defined under the Sale Agreement), the Debtor's estate may retain the Initial Deposit and Additional Deposit (as such terms are defined in the Sale Agreement), which amounts shall be distributed as allowed by this Court

12. The Court shall have jurisdiction to (a) implement, interpret, consummate and/or effectuate the provisions of this Order; and (b) resolve any disputes relating to the sale of the Property and distribution of the proceeds thereof.

13. Any and all governmental recording offices and all other parties, persons or entities are directed to accept this Order for recordation as conclusive evidence of authorization to convey the Debtor's and Giulio's interests in the Property to the Purchaser.

Page 5

Debtor: Beth Ann Caruso

Case No.: 14-22846 (CMG)

Caption of Order: ORDER, PURSUANT TO SECTION 363(B) AND (F) OF THE
BANKRUPTCY CODE, AUTHORIZING AND APPROVING THE
SALE OF REAL ESTATE WITH IMPROVEMENTS THEREON
LOCATED AT 150 113TH ST., STONE HARBOR, NEW JERSEY,
FREE AND CLEAR OF ALL LIENS, CLAIMS, ENCUMBRANCES
AND INTERESTS AND APPROVING PAYMENT OF SECURED
CLAIM

14. This Order shall be effective immediately upon entry pursuant to Rules 7062 and 9014 of the Federal Rules of Bankruptcy Procedure, and no automatic stay of execution, pursuant to Rule 62(a) of the Federal Rules of Civil Procedure or Rule 6004(h) or 6006(d) of the Federal Rules of Bankruptcy Procedure shall apply with respect to this Order.

15. Pursuant to Section 363(m) of the Bankruptcy Code, the reversal or modification of this Order on appeal shall not affect the validity of the transfer authorized herein unless the transfer is stayed pending appeal and prior to closing.

16. The Debtor's counsel shall serve a true and correct copy of this Order on all parties who were served with copies of the Sale Motion by email, fax or first-class mail, postage pre-paid, within two (2) business days from the date of entry.

1. **Mortgage made by Guilio Caruso and Beth Caruso to Wall Street Mortgage, Inc., dated November 12, 2004, recorded December 14, 2004, in Mortgage Book M3999, Page 248, in the Clerk/Register's Office of the County of Cape May, in the originally stated amount of \$1,820,000.00; assigned to Mortgage Electronic Registration Systems, Inc., recorded September 14, 2006, in Mortgage Book A308, Page 406; assigned to Aurora Loan Services LLC, recorded December 17, 2007, in Mortgage Book A311, Page 729; Lis Pendens, Docket Number F-15067-08, recorded May 1, 2008, as Instrument Number 14997; assigned to HSBC Bank USA, National Association, recorded August 3, 2015, in Mortgage Book A337, Page 152.**
2. **J-042469-2009, Date Docketed February 10, 2009 between SKYLANDS COMMUNITY BANK, ASSIGNEE PANDA FINANCIAL ASSOCIATES INC and Giulio Caruso.**
3. **J-160195-2009, Date Docketed July 7, 2009 between FOURTEENTH VENTURE LLC and Giulio Caruso.**
4. **J-020680-2010, Date Docketed January 20, 2010 between CORPORATE HEALTH INSURANCE INC; AETNA LIFE INSURANCE COMPANY; AETNA HEALTH INC and Giulio Caruso, DC.**
5. **J-053374-2010, Date Docketed February 23, 2010 between DUE PROCESS GOLF & HORSE STABLES LLC d/b/a DUE PROCESS STABLES and Giulio Caruso.**
6. **J-167945-2012, Date Docketed August 13, 2012 between B-FOUR ENTERPRISES LLC and Giulio Caruso.**
7. **J-017434-2016, Date Docketed January 28, 2016 between FOURTEETH VENTURE LLC and Giulio Caruso.**
8. **DJ-021348-2010, Date Docketed January 21, 2010 between DIV OF TAXATION ,TAX ID NUMBER = I*****194000 and Giulio Caruso.**
9. **DJ-021349-2010, Date Docketed January 21, 2010 between DIV OF TAXATION,TAX ID NUMBER = I*****930000 and Beth Caruso.**
10. **DJ-150609-2012, Date Docketed July 19, 2012 between COMMUNITY CHECK CASHING II LLC T/A CHECK CASHING STATION and Giulio Caruso.**
11. **DJ-089385-2014, Date Docketed May 20, 2014 between DIVERSIFIED INVESTMENTS LLC and Giulio Caruso.**
12. **DJ-089400-2014, Date Docketed May 20, 2014 between DIVERSIFIED INVESTMENTS LLC and Giulio Caruso.**
13. **DJ-127968-2014, Date Docketed July 18, 2014 between NCMIC FINANCE CORPORATION and Giulio Caruso.**
14. **DJ-180362-2014, Date Docketed September 25, 2014 between MICHAEL HEINLEIN and Giulio Caruso.**
15. **DJ-110664-2018, Date Docketed July 6, 2018 between DIV OF TAXATION ,TAX ID NUMBER = I*****194000 and Giulio Caruso.**