

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION**

In re: ) Chapter 11  
) Case No. 17-10554  
ERIE STREET INVESTORS, LLC, *et al.*<sup>1</sup>, ) (Jointly Administered)  
) Hon. Deborah L. Thorne  
Debtors. )  
) **Hearing Date: August 29, 2017**  
) **Hearing Time: 9:30 a.m.**  
) **Courtroom: 613**  
)

**NOTICE OF MOTION**

PLEASE TAKE NOTICE that on **August 29, 2017**, at 9:30 a.m., or as soon thereafter as counsel may be heard, we shall appear before the Honorable Deborah L. Thorne in Courtroom No. 613 in the Dirksen Federal Building at 219 South Dearborn Street, Chicago, Illinois, or whomever may be sitting in her place and stead, and then and there present the **Trustee’s Motion for Order Approving Bidding Procedures and Authorizing Sale of Property Free and Clear of Liens, Claims and Encumbrances**, a copy of which is attached hereto and hereby served upon you.

Dated: August 24, 2017

FRANCES GECKER, SOLELY AS CHAPTER 11  
TRUSTEE OF ERIE STREET INVESTORS, LLC AND  
ITS AFFILIATED CHAPTER 11 DEBTORS

By: /s/ Micah R. Krohn  
One of her attorneys

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<sup>1</sup> The Debtors in these Chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, include: Erie Street Investors, LLC (7910); LaSalle Investors, LLC (1653); WSC Parking Fund I (5829); George Street Investors, LLC (9924); and Sheffield Avenue Investors, LLC (1057).

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) Hon. Deborah L. Thorne

**TRUSTEE’S MOTION FOR ORDER APPROVING BIDDING  
PROCEDURES AND AUTHORIZING SALE OF PROPERTY  
FREE AND CLEAR OF LIENS, CLAIMS AND ENCUMBRANCES**

Frances Gecker (the “Trustee”), not individually but as the Chapter 11 trustee of the bankruptcy estate of Erie Street Investors, LLC and its affiliated debtors (collectively, the “Debtors”), by her attorneys, respectfully requests the entry of an order, pursuant to 11 U.S.C. §§ 363(b) and (f), and 365, and Fed.R.Bankr.P. 2002, 6004 and 6006, approving bidding procedures, and related manner of notice and form of agreement, with respect to the sale of the Debtors’ properties, approving the sale of the Debtors’ properties free and clear of liens, claims and encumbrances, and scheduling dates to conduct an auction (the “Auction”) and a hearing (the “Sale Hearing”) to consider final approval of the sale of those properties (the “Sale”). In support of this motion (the “Sale Motion”), the Trustee states as follows:

**BACKGROUND**

1. On April 3, 2017, Erie Street Investors, LLC (“Erie”), LaSalle Investors, LLC (“LaSalle”) and WSC Parking Fund I (“WSC”) filed voluntary Chapter 11 petitions in this Court (the “Court”). On April 5, 2017, George Street Investors, LLC (“GSI”) and Sheffield Avenue Investors, LLC (“Sheffield”) filed voluntary Chapter 11 petitions in the Court.

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2. On April 27, 2017, this Court entered an Order directing the joint administration of the Debtors' bankruptcy cases for procedural purposes only.

3. On May 16, 2017, the Court entered an order approving the appointment of Frances Gecker as Chapter 11 trustee for the Debtors.

**The Properties**

4. The Debtors directly or indirectly own real property and improvements thereon located at the following addresses (collectively, the "Properties"):

<b><u>DEBTOR</u></b>	<b><u>REAL PROPERTY</u></b>
Erie	343 W Erie St, Chicago, Il 60654
LaSalle	747 N LaSalle Dr, Chicago, Il 60654
WSC	600 S Clark St, Chicago, Il 60605
GSI	2852-56 N Southport Ave, Chicago, Il 60657 1411 W George St, Chicago, IL 60657
Sheffield	2954 Sheffield Ave, Chicago, Il 60657

5. The Properties are encumbered by certain Mortgages, Security Agreements and Assignments of Leases and Rents executed by each of those Debtors in 2011 in connection with loans that UBS Real Estate Securities, Inc. ("UBS") extended to the Debtors.

6. In 2012, UBS assigned its rights and interests in the Mortgages, Security Agreements, Assignments of Leases and Rents and other loan documents related to the Properties (collectively, the "Deutsche Bank Loan Documents") to Deutsche Bank Trust Company Americas, as (a) Trustee for the Registered Holders of UBS-Citigroup Commercial Mortgage Trust 2011-C1, Commercial Mortgage Pass-Through Certificates, Series 2011-C1, and as (b) Trustee for the Registered Holders of UBS-Citigroup Commercial Mortgage Trust 2011-

C1, Commercial Mortgage Pass-Through Certificates, Series 2012-C1 (collectively, the “Deutsche Bank Trustee”).

7. In its capacity as the Special Servicer and as Attorney-in-Fact pursuant to a power of attorney that the Deutsche Bank Trustee granted Rialto Capital Advisors, LLC (“Rialto,” and together with the Deutsche Bank Trustee, the “Lender”), Rialto is authorized to act on behalf of the Deutsche Bank Trustee with respect to this bankruptcy case.

8. The Lender has filed claims under the Deutsche Bank Loan Documents against the Erie, LaSalle and WSC estates in the amount of \$29,184,034.31, and against the GSI and Sheffield estates in the amount of \$9,648,364.56, which claims the Lender asserts are secured by the Properties. The Debtors dispute various components of the Lender’s claims.

**Debtors’ Plan Confirmation Hearing**

9. On June 21, 2017, the Debtors filed a Combined Plan of Reorganization and Disclosure Statement (as subsequently modified, the “Plan”), pursuant to which, if confirmed, Arthur Holmer would re-finance the Properties and purchase substantially all of the LLC membership interests in each of the Debtors that Holmer does not own already.

10. Plan objections have been filed by the Trustee, the Office of the United States Trustee and the Lender.

11. A combined hearing on confirmation of the Plan and approval of the Disclosure Statement has been scheduled for September 11-12, 2017.

**The Trustee’s Pre-Auction Marketing Efforts**

12. On June 22, 2017, this Court entered its order (the “JLL Order”) authorizing the Trustee to employ Jones Lang LaSalle Americas (Illinois), L.P. as the Trustee’s exclusive real estate broker (“JLL”) for the purpose of selling the Properties.

13. JLL has engaged in extensive marketing efforts on behalf of the Trustee. JLL prepared and sent offering materials to over 7,900 investors on a global stage via marketing email blasts twice: first on July 12, 2017 and again on August 1, 2017.

14. Investors from Canada, the United Kingdom, France, Germany, Denmark, United Arab Emirates, China, Japan and South Korea reviewed the opportunity. The email outlining the Properties portfolio was viewed by 3,087 investors. Ultimately, 162 investors signed confidentiality agreements, allowing them access to the online due diligence data room. Several interested bidders toured the Properties.

15. JLL's marketing efforts generated nine offers to purchase the Properties, seven of which were offers to purchase the entire portfolio.

### **The Sale Agreement**

16. After consultation with JLL, the Trustee has determined in her business judgment to sell the entire portfolio to Stonebridge Real Estate Co., LLC, subject to higher or better offers.

17. On August 24, 2017, subject to this Court's approval, and subject to higher and better offers, the Trustee entered into an Agreement For Purchase and Sale of Real Property with the Stonebridge Real Estate Co., LLC (the "Buyer"), substantially in the form of **Exhibit 2** (the "Sale Agreement") to the Proposed Order Approving Bidding Procedures And Authorizing Sale Of Property Free And Clear Of Liens, Claims And Encumbrances (the "Bidding Procedures Order"). Under the Sale Agreement, the Trustee proposes to sell to the Buyer or such other winning bidder(s) approved by the Court, to the fullest extent permitted by 11 U.S.C. §§ 363 and 365, and free and clear of any and all liens, claims or other encumbrances, all right, title and interest of the Debtors in and to the Properties, including the land, improvements, personal property, intangible property, equipment and licenses related thereto.

18. The Sale Agreement was negotiated at arm's-length and constitutes a good faith offer to purchase in accordance with 11 U.S.C. § 363(m).

19. Pursuant to the Sale Agreement, the Buyer proposes to purchase the Properties for a cash payment of **\$41.5 million** (the "Purchase Price"), to be paid:

- \$2 million (the "Deposit" or "Earnest Money") to be deposited into escrow within three business days after the date on which the Trustee provides notice to the Buyer of the entry of an order approving this Sale Motion (the date of that notice, the "Effective Date"), and
- the balance to be paid at closing, which is to occur on or before September 30, 2017.

20. The Sale Agreement provides for the assumption and assignment, pursuant to 11 U.S.C. § 365, of all contracts currently in effect relating to the ownership, management, development, operation, leasing or maintenance of the Properties, together with any and all amendments thereto, including all residential and commercial leases encumbering the Properties described on the Rent Roll attached as Exhibit B to the Sale Agreement.

21. In addition, the Sale Agreement provides for a due diligence period commencing on the date of the Sale Agreement and concluding on September 19, 2017 at 4:00 p.m. (Central Time), during which time the Buyer may terminate the Sale Agreement, and in the event of termination, recover the Deposit.

**Bidding Procedures / Break-Up Fee**

22. The Sale Agreement is conditioned, among other things, on this Court's entry, within 20 days after the full execution of the Sale Agreement, of an order authorizing the Trustee to sell the Properties to the Buyer or to an alternative Winning Bidder<sup>2</sup> pursuant to the terms set

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<sup>2</sup> Capitalized terms not otherwise defined herein are defined in the Sale Agreement.

forth in the Sale Agreement and in the proposed bidding procedures, a copy of which is attached to the Bidding Procedures Order as **Exhibit 1** (the “Bidding Procedures”).

23. In consideration of the costs that Buyer has incurred and will incur in connection with the negotiation of the Sale Agreement and due diligence in connection therewith, and in consideration of the Trustee’s obligation to maximize the value of the Properties by offering the Properties for sale at auction, the Trustee has agreed, subject to this Court’s approval: (a) that the Buyer be entitled to a break-up fee in the amount of **\$500,000** (the “Break-Up Fee”) if the Buyer is not deemed to be the highest and best bidder for the Properties at the Auction and the Trustee consummates a transaction with a purchaser other than the Buyer, (b) that the Break-Up Fee be paid to the Buyer at Closing from the Sale proceeds, and (c) that the Sale Procedure Order shall provide that it shall be free and clear of all liens, claims, encumbrances, and interests.

24. The Buyer has required that the Trustee obtain Court approval of the Break-Up Fee before the Sale Hearing as a means of protecting itself against incurring the fees and expenses of acquiring the Properties, and in consideration of the Buyer’s willingness to act as a stalking horse bidder and to undertake comprehensive due diligence that may be accessed by other interested bidders, only to be outbid by another Qualified Bidder.

25. The Break-Up Fee was a material inducement for, and a condition of, the Buyer’s entry into the Sale Agreement. The Trustee believes that the Break-Up Fee is fair and reasonable in view of, among other things, (a) the analysis, due diligence investigation, and negotiation undertaken by the Buyer in connection with the Sale, and (b) the fact that the efforts of the Buyer have increased the chances that the Trustee will receive the highest and best offer for the Properties, to the benefit of the estate and its creditors and other parties in interest.

26. To participate in the Auction, the Trustee proposes that all interested persons comply with the Bidding Procedures, including the requirement that all bids be submitted in writing so as to be received by no later than **12:00 p.m.**, prevailing Central Time, on **September 19, 2017.**

27. The Bidding Procedures should be consulted in their entirety by interested bidders, and provide generally as follows:

Auction	To be held at <b>2:00 p.m. (Chicago Time) on <u>September 20, 2017</u></b> at the offices of FrankGecker LLP after advertisement in the Chicago Tribune Auction Mart and notice to all creditors that timely filed proofs of claim in the Debtors' bankruptcy cases and prospective purchasers that signed a confidentiality agreement with the Trustee.
Auction Format	<b>QUALIFYING BIDS MUST INCLUDE ALL PROPERTIES. THE TRUSTEE WILL NOT CONSIDER BIDS FOR LESS THAN ALL PROPERTIES.</b>  Open bidding, recorded by a court reporter, among the Buyer and other Qualified Bidders present at Auction. The Buyer will be deemed to be a Qualified Bidder so long as it is not in breach of the Sale Agreement. The Trustee will be permitted to conduct separate or joint off-the-record discussions with any Qualified Bidder, including the Buyer. The Trustee may continue the Auction once, for no more than two business days, by announcement of the continuance at the Auction.
Purchase Price	\$41.5 million
Minimum Subsequent Overbid	Initial Overbid of \$1,000,000 and subsequent increments of \$50,000
Earnest Money	\$2 million, to be retained by the Trustee in the event that a Winning Bidder defaults in its obligations to purchase the Properties pursuant to a Winning Bid; to be returned to any bidder that does not become the Winning Bidder before the earlier



	of (a) 2 business days after the entry of the Sale Order or the Trustee’s withdrawal of the Properties for sale, and (b) 14 days after the completion of the Auction
Break Up Fee	The Buyer will be entitled to payment of \$500,000, free and clear of liens, claims and encumbrances, paid at Closing, from the Sale Proceeds of a Sale to a Winning Bidder other than the Buyer.
Notice of Bidding Procedures / Sale Motion / Sale Hearing	Within five business days after the entry of an order granting this Sale Motion, the Trustee will serve a Notice of the Bidding Procedures, the Sale Motion and the Sale Hearing, in substantially the same form as attached as <b>Exhibit 3</b> to the Bidding Procedures Order on: the Debtors, the Office of the U.S. Trustee, the Lender, all persons that were contacted by the Trustee or JLL in connection with the marketing and sale process, all other prospective bidders and parties in interest upon written request to the Trustee, and all entities that have filed proofs of claim in the Debtors’ bankruptcy cases.
Inspection of Properties	Upon execution of a confidentiality agreement acceptable to the Trustee, the Trustee will grant reasonable access to the Properties, and make environmental, financial and other relevant information available to any Potential Bidder. Prior to the Auction, the Buyer will make copies of any and all environmental, inspection, soil and other reports independently obtained by Buyer relating to the physical condition of the Properties available to all Potential Bidders, without any representations or warranties whatsoever.
Qualifying Bid Information	To be considered a Qualified Bidder, Potential Bidders must deliver to the Trustee: (a) any information that the Trustee requests establishing a Potential Bidder’s ability, including financial wherewithal, to timely close the Sale of the Properties; (b) a cashier’s or certified check in the amount of \$2 million payable to the Trustee; and (c) an executed purchase agreement in substantially the same form as the Sale Agreement setting forth a purchase price in an amount not less than \$42.5 million.

	<p>The Trustee will provide the Buyer with copies of the contracts included as part of each Qualified Bid received by the Trustee within one business day of receipt, and no later than 4:30 p.m. on the day prior to the Auction.</p>
<p>Initial Bid Deadline</p>	<p><b>12:00 noon (Chicago Time) on <u>September 19, 2017</u></b> (the day prior to the Auction)</p>
<p><b>As-Is Where-Is</b></p>	<p><b>The Properties will be offered on an “as is, where is” basis without representations or warranties of any kind whatsoever. By submitting a bid, each Qualified Bidder shall be deemed to have acknowledged and represented that: (a) it has had an opportunity to inspect and examine the Properties and to conduct any and all due diligence regarding the Properties prior to making its bid; (b) it has relied solely upon its own independent review, investigation and/or inspection of any documents and the Properties in making its bid; and (c) it did not rely upon any written or oral statements, representations, promises, warranties, or guaranties whatsoever, whether express, implied, by operation of law or otherwise, regarding the Properties by any person whatsoever, or the completeness of any information provided in connection therewith or at the Auction.</b></p>
<p>Free and Clear</p>	<p>The order approving the Sale of the Properties at the Auction (the “Sale Order”) will authorize and approve the transfer of all of the Debtors’ right, title and interest in and to the Properties and the assumption and assignment of the Leases and other contracts identified by the Buyer or other Winning Bidder (the “Assumed Contracts”) to the Winning Bidder, free and clear of all liens, claims, encumbrances, and interests (unless otherwise agreed to by the Winning Bidder and the Trustee), with any such liens, claims, encumbrances, and interests attaching to the Sale Proceeds in the same amount, rank and priority as those liens, claims, encumbrances, and interests enjoyed prior to the Auction and Sale. Any and all liens, claims, encumbrances, and interests shall be paid from the</p>

	Sale Proceeds pursuant to the Sale Order, and, in the event that any liens, claims, encumbrances or interests are in dispute, pursuant to further order of the Bankruptcy Court.
Withdrawal of Properties	At any time prior to the Auction Date, the Trustee may withdraw the Properties from sale in her sole discretion. In the event that the Trustee withdraws the Properties and the Buyer is not then in default of the Sale Agreement, the Buyer will be entitled to reimbursement of its actual, out-of-pocket costs, in an amount no greater than the Break-Up Fee, incurred in connection with the negotiation of the Sale Agreement and any due diligence performed regarding the Properties.
No Other Qualified Bidders	If, as of the Auction Date, there are no Qualified Bidders other than the Buyer, the Trustee will be obligated to sell the Properties to the Buyer pursuant to the terms and conditions of the Sale Agreement without further extension or delay.
Additional Bidding Procedures	Provided that one or more Qualified Bids are received prior to the Initial Bid Deadline, the Trustee may thereafter establish such modified or additional Bidding Procedures as the Trustee deems appropriate based on the circumstances, provided any modifications and additions shall not be materially inconsistent with the Bidding Procedures.
Objections to Sale / Sale Motion	The Trustee proposes that any objections to the Sale Motion (other than with respect to the Bidding Procedures and related matters approved pursuant to the Bidding Procedures Order) be in writing, conform to the Bankruptcy Rules and this Court's order, and set forth: (a) the nature of the objector's claim against or interests in the Debtors' estates; (b) the basis and specific grounds for the objection; and (c) all evidence in support of said objection, and be filed and served so as to be received on or prior to <b>September 25, 2017 at 4:00 p.m., Central Time</b> , by: (v) the Trustee, (w) the Debtors, (x) the Office of the U.S. Trustee, (y) the Lender, and (z) the Buyer. The Trustee proposes that any person objecting to the Sale Motion that has not complied with the requirements of this paragraph not be heard at the Sale Hearing.

**RELIEF REQUESTED**

28. The Trustee respectfully requests, pursuant to 11 U.S.C. §§ 105, 363(b) and (f), and Fed.R.Bankr.P. 2002 and 6004:

A. Entry of an Order (the “Bid Procedures Order”):

- (i) Scheduling the date, time, and place for an auction of the Properties;
- (ii) Scheduling the Sale Hearing on September 28, 2017, to confirm the sale of the Properties;
- (iii) Approving the form and manner of notice of the Auction and the Sale Hearing; and
- (iv) Approving the Break Up Fee, and
- (v) Approving the Bid Procedures.

B. Entry of the Sale Order following the Sale Hearing, authorizing the Trustee to sell the Properties to the Buyer pursuant to the Sale Agreement, or to a Winning Bidder other than the Buyer if the Buyer is not the Winning Bidder, pursuant to the terms of the Winning Bid, free and clear of all liens, claims and interests, with such liens, claims and interests to attach to the Sale Proceeds of the Properties with the same validity (or invalidity), priority, perfection and extent as existed immediately prior to the Sale; and

C. If the Court approves a higher and better offer for the Properties from a Winning Bidder not affiliated with the Buyer, authorizing the Trustee to pay the Break-Up Fee to the Buyer out of the Sale Proceeds, free and clear of all liens, claims and interests, with such liens, claims and interests.

**BASIS FOR THE RELIEF REQUESTED**

**The Auction will maximize the value of the estate.**

29. The paramount goal in selling estate property is to maximize the estate. *See, e.g., Corp. Assets, Inc. v. Paloian*, 368 F.3d 761, 767 (7th Cir. 2004) (“governing principle at a confirmation proceeding is the securing of the highest price for the bankruptcy estate”); *In re Food Barn Stores, Inc.*, 107 F.3d 558, 564-65 (8th Cir. 1997) (“In bankruptcy sales, a primary objective of the Code [is] to enhance the value of the estate”); *In re Integrated Resources, Inc.*, 147 B.R. 650, 659 (S.D.N.Y. 1992) (“It is a well-established principle of bankruptcy law that the . . . [Trustee’s] duty with respect to such sales is to obtain the highest price or greatest overall benefit possible for the estate.”); *In re LJBV, Ltd.*, 544 B.R. 401, 406 (Bank. N.D. Ill. 2016) (“The goal of selling bankruptcy estate assets should be to maximize the assets’ selling price, not to control who obtains the assets.”)

30. The Trustee has determined that to maximize the value of the Debtors’ assets, it is in the best interests of the estate and its creditors to complete the marketing and sale of the Properties through the proposed auction process.

31. The Trustee may sell estate property outside the ordinary course of business, pursuant to 11 U.S.C. § 363(b)(1), so long as she has articulated a business justification. *In re UAL Corp.*, 443 F.3d 565, 571 (7<sup>th</sup> Cir. 2006) (“The criteria for approval, therefore, are whether the transaction makes good business sense, in which event the creditors as a whole should benefit”); *In re Schipper*, 933 F.2d 513, 515 (7th Cir. 1991); *In re Efoora, Inc.*, 472 B.R. 481, 488-89 (Bankr. N.D. Ill. 2012); *In re Telesphere Commc’ns, Inc.*, 179 B.R. 544, 552 (Bankr. N.D. Ill. 1994).

32. The Court exercises its discretion in determining whether to approve a sale of estate property. *Paloian*, 368 F.3d at 767. The Court reviews the Trustee’s business judgment to make an independent determination as to whether that judgment is reasonable. However, the

court “should not substitute its judgment for the trustee’s.” *Efoora, Inc.*, 472 B.R. at 488 (internal citations omitted). “A trustee has considerable discretion when it comes to the sale of estate assets, and that discretion is entitled to great judicial deference as long as a sound business reason is given.” *Id.* (citing cases)

33. Bankruptcy Rule 6004(f)(1) permits sales of estate property outside of the ordinary course of business by private sale or by public auction. The Trustee has determined that proceeding with an auction sale of the Properties, with the Buyer as stalking horse, pursuant to the Sale Agreement and the Bidding Procedures, represents the estate’s best opportunity to maximize the value of the estate for the benefit of the estate and its creditors.

34. More than ample business justification supports approval of the Sale to the Buyer or another Winning Bidder pursuant to the Bidding Procedures. The Trustee has considered and analyzed the Buyer’s offer in consultation with JLL, after engaging in extensive, comprehensive marketing efforts, and significant good faith, arm’s length negotiations.

35. Courts uniformly recognize that procedures intended to enhance competitive bidding are consistent with the goal of maximizing estate assets. *See, e.g., Integrated Resources*, 147 B.R. at 659 (such procedures encourage bidding and maximize the value of the debtors’ assets); *In re Financial News Network, Inc.*, 126 B.R. 152, 156 (S.D.N.Y. 1991) (procedures approved for sale of estate property should provide an adequate basis for comparison of offers, and a fair and efficient resolution of bankrupt estates).

**Sale free and clear of liens, claims and encumbrances is warranted.**

36. Pursuant to 11 U.S.C. § 363(f), the Trustee may sell the Properties under 11 U.S.C. § 363(f), free and clear of liens, claims and encumbrances, if any one of the following conditions is satisfied: (a) applicable non-bankruptcy law permits the sale of the property free

and clear of such interest; (b) the entity holding the lien, claim or encumbrance consents to the sale; (c) the 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 the property; (d) the interest is in bona fide dispute; or (e) the entity could be compelled, in a legal or equitable proceeding, to accept a money satisfaction of its interest. 11 U.S.C. § 363(f); *In re Fillion*, 181 F.3d 859, 862 (7th Cir. 1999) (free and clear sale may be authorized if any one of the conditions identified in section 363(f) is satisfied).

37. One or more of the conditions identified in section 363(f) are easily satisfied with respect to the proposed Auction. Among other things, other than property taxes, the Lender is the holder of the only known liens and encumbrances against the Properties, and has agreed to the sale of the Properties as proposed herein. In addition, the Purchase Price exceeds the aggregate amount of all outstanding liens, and the Lender could be compelled to accept a monetary satisfaction of its liens.

**The Break-Up Fee is reasonable.**

38. The proposed Break-Up Fee is reasonably calculated, in line with its purpose, to incentivize the Buyer to act as a stalking horse bidder and attract other bidders to the Auction. *See In re Fin. News Network, Inc.*, No. 91B-10891, 1991 WL 127524, at \*1 n. 5 (Bankr. S.D.N.Y. May 10, 1991) *aff'd*, 134 B.R. 737 (S.D.N.Y. 1991) *aff'd*, 980 F.2d 165 (2d Cir.1992) (the existence of a stalking horse agreement attracts other bidders to the auction); *In re JW Resources, Inc.*, 536 B.R. 193, 196 (Bankr. E.D. Ky. 2015); *Integrated Resources*, 147 B.R. at 657; *In re S.N.A. Nut Co.*, 186 B.R. 98, 102 (Bankr. N.D. Ill. 1995).

39. The Buyer has spent considerable time and money performing due diligence and negotiating the Sale Agreement. In bankruptcy auctions, subsequent bidders often forego due diligence as a result of the willingness of the stalking horse bidder to enter into an agreement.

Without the incentive of the Break-Up Fee, the Buyer would be at a significant disadvantage because other bidders will not incur the costs and risks of entering into the stalking horse agreement with the debtor. *See JW Resources*, 536 B.R. at 196.

40. Courts have adopted several approaches in assessing the propriety of a proposed break-up fee. One approach focuses on the Trustee's business judgment, looking at (1) whether the relationship of the parties who negotiated the break-up fee is tainted by self-dealing or manipulation; (2) whether the fee hampers, rather than encourages, bidding; and (3) whether the amount of the fee is unreasonable relative to the proposed purchase price. *See, e.g., Integrated Resources*, 147 B.R. at 657.

41. Another approach treats break-up fees as administrative claims that are approved, pursuant to 11 U.S.C. § 503(b)(1)(A), if they are actually necessary to preserve the value of the estate under the same test as all other administrative expense requests. *See, e.g., In re ASARCO, LLC*, 650 F.3d 593, 603 (5th Cir. 2011); *In re Reliant Energy Channelview LP*, 594 F.3d 200 (3d Cir. 2010); *S.N.A. Nut*, 186 B.R. at 104-05.

42. This Court has previously held that ultimately "the proper standard for evaluating a breakup fee should be whether the interests of all concerned parties are best served by such a fee. The test is whether the payment of a breakup fee is in the best interests of the estate." *Id.*

43. Break-up fees in the range of 1% - 4% of the purchase price have been approved as reasonable. *In re Tama Beef Packing, Inc.*, 312 B.R. 192, 194 (Bankr. N.D. Iowa 2004), reversed on other grounds, *In re Tama Beef Packing, Inc.*, 496, 498 (8th Cir. B.A.P. 2005). Fees in the range of 1% to 2% of the purchase price are often approved. *See In re Tiara Motorcoach Corp.*, 212 B.R. 133, 138 n. 6 (Bankr. N.D. Ind. 1997); *JW Resources*, 536 B.R. at 195.



44. The Break-Up Fee, amounting to 1.2% of the Purchase Price, is reasonable when assessed under any of the above criteria. The Trustee and the Buyer are not affiliated in any way, and have engaged in arm's length negotiations regarding the proposed sale. Moreover, the Buyer has indicated that the Bidding Protections provisions are a critical component of its offer for the Properties. Thus, if approved, the Break-Up Fee will ensure a stalking horse bidder ready to proceed to closing at a reasonable purchase price, a due diligence package generated by the Buyer that other bidders may access, and the potential for interested parties to submit overbids at the Auction.

45. The Break-Up Fee is within the range generally approved in bankruptcy sales, and is fair and reasonable under the circumstances. *See Integrated Resources*, 147 B.R. at 662 (“Break-up fees should constitute a fair and reasonable percentage of the proposed purchase price, and should be reasonably related to the risk, effort, and expenses of the prospective purchaser. When reasonable in relation to the bidder’s efforts and to the magnitude of the transaction, break-up fees are generally permissible”); *see also Financial News Network*, 980 F.2d 165, 167 (2nd Cir. 1992) (transaction at issue provided for a \$8.2 million break-up fee on the \$149.3 million transaction); *Integrated Resources Inc.*, 147 B.R. at 662 (approving a \$7.5 million break-up fee on a \$656 million transaction).

**The overbid increments are reasonable.**

46. Similarly, the proposed overbid provision is fair and reasonable. Pursuant to the Bidding Procedures, any initial offer for the Properties (overbid) must exceed the Purchase Price by at least \$1 million, and each minimum bid increment thereafter must be at least \$50,000. A minimum initial overbid ensures a net benefit to the estate after deducting (a) the Break-Up Fee

paid to the Buyer in the event of a prevailing overbid, and (b) the additional costs to the estate of considering additional bids.

47. Minimum overbids of up to 10% of the initial purchase price have been found fair and reasonable. *See, e.g., In re Tempo Technology Corp.*, 202 B.R. 363, 369 (D. Del. 1996); *In re Wintex, Inc.*, 158 B.R. 540, 543 (D. Mass. 1992). Thus, the proposed overbid (initially approximately 2.4% of the Purchase Price, and subsequently a fraction thereof) is well within norms.

**The form and manner of notice of the Bidding Procedures, the Auction and the Sale Hearing are reasonable, adequate and appropriate.**

48. The Trustee requests that the Court schedule two hearings in connection with this motion: first, a hearing to consider and approve the Bidding Procedures and schedule the Auction, Sale Hearing and related deadlines; and second, the Sale Hearing itself.

49. The Trustee proposes that, within five business days after entry of the Bidding Procedures Order, the Trustee serve this Sale Motion, the Sale Agreement, the Bidding Procedures, and the Auction and Sale Notice in the form attached to the Bidding Procedures Order as **Exhibit 3** (the “Auction and Sale Notice”), and a copy of the Bidding Procedures Order (collectively, the “Bid Package”), by first-class U.S. mail, postage prepaid, upon: (a) the Debtors, (b) the U.S. Trustee, (c) the Buyer, (d) the Lender, (e) all entities that JLL has identified as having expressed a continuing interest in the Properties, (f) counterparties to the Debtors’ executory contracts and unexpired leases identified in the Bankruptcy Schedule G filed by each Debtor and documents that the Debtors produced to the Trustee, (g) the Debtors’ members, and (h) all parties that have requested notice in the Debtors’ bankruptcy cases.

50. The date proposed for the Sale Hearing complies with Fed.R.Bankr.P. 2002(a)(2), 6004 and 6006(c), in that it will be more than 21 days after service of the Bid Package. In

addition, the materials in the Bid Package will comply with Fed.R.Bankr.P. 2002(c)(1) and 6004(f)(1) in that they will contain the information required by those rules.

51. The Trustee respectfully submits that the Bid Package, including the Auction and Sale Notice, satisfies the notice and information requirements of Fed.R.Bankr.P. 2002, 6004 and 6006(c), and 11 U.S.C. §§ 363 and 365, and that such notice is good and sufficient and that no other or further notice should be required.

**The assumption and assignment of the Assumed Contracts and Unexpired Leases are appropriate and should be approved.**

52. In connection with the proposed Sale, the Trustee seeks authority to assume and assign the Assumed Contracts and Unexpired Leases to the Buyer or other Winning Bidder. The Trustee is not aware of any defaults under the Debtors' Assumed Contracts and Unexpired Leases. The Trustee requests that objections, if any, to the assumption and assignment of Assumed Contracts and Unexpired Leases be filed and served so as to be actually received no later than three calendar days after the Auction.

53. If an objection to the assumption and assignment of the Assumed Contracts or Unexpired Leases cannot be resolved consensually among the parties, the Trustee requests that the Court set a hearing to determine such matters no later than six calendar days after the conclusion of the Auction. The Trustee proposes that the failure to timely file and serve an objection shall be deemed consent to the assumption and assignment of the Assumed Contracts and Unexpired Leases, and that any and all objections thereto be deemed forever waived and released.

54. Subject to the court's approval, the Trustee may assume or reject any executory contract or unexpired lease of the Debtors, pursuant to 11 U.S.C. § 365(a). The standard governing the Court's approval of the Trustee's decision to assume or reject executory contracts

or unexpired leases is the Trustee's reasonable business judgment. *See, e.g. In UAL Corp.*, 635 F.3d 312, 319 (7<sup>th</sup> Cir. 2011).

55. The Trustee has determined, in her business judgment, that the assumption and assignment of all of the Debtors' unexpired leases, and such executory contracts as may be identified by the Buyer or other Winning Bidder, is in the best interests of the estate and its creditors, as it will meet the expectations of prospective purchasers, allow the Properties to continue to be operated as anticipated, and thus allow the Trustee to maximize the Purchase Price.

**The Buyer is a good faith purchaser entitled to the protection of 11 U.S.C. § 363(m).**

56. The Buyer is a good faith purchaser and is entitled to the full protections of 11 U.S.C. § 363(m), which provides:

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

11 U.S.C. § 363(m).

57. The Sale Agreement is the result of a good faith, arms-length transaction. Therefore, the Trustee requests that the Court find that the Buyer will be purchasing the Properties in good faith, within the meaning of 11 U.S.C. § 363(m), and entitled to the protections thereunder. *See In re Rock Indus. Mach. Corp.*, 572 F.3d 1195, 1197 (7<sup>th</sup> Cir. 1978) (applying "traditional equitable definition of "good faith purchaser" as one who purchase the assets for value, in good faith, and without notice of adverse claims."). To constitute lack of good faith, a party's conduct must usually amount to fraud, collusion between the purchase and other bidders or the trustee or an attempt to take grossly unfair advantage of other bidders. *See Hower*

*v. Molding Systems Eng'g corp.*, 445 F.3d 935, 938 (7<sup>th</sup> Cir. 2006); *In re Abbotts Dairies of Pennsylvania, Inc.*, 788 F.2d 143, 147 (3d Cir. 1986); *In re Sullivan Cent. Plaza I, Ltd.*, 106 B.R. 934 (Bankr. N.D. Tex. 1998). Courts make this determination based on the facts of each case. *See In re Rock Indus. Mach. Corp.*, 572 F.2d 1195, 1198 (7th Cir. 1978).

58. As required by 11 U.S.C. § 363(m), the Trustee and the Buyer have acted in good faith in negotiating the Sale Agreement. The Sale Agreement is the result of a series of negotiations in which all parties were represented by counsel. The Buyer is not an insider of the Debtors as that term is defined in 11 U.S.C. § 101(31), and all negotiations have been and will continue to be conducted on an arm's length, good faith basis. The Bidding Procedures are designed to ensure that no party is able to exert undue influence over the process. Under the circumstances, the Stalking Horse Purchaser should be afforded the benefits and protections that 11 U.S.C. § 363(m) provides to a good faith purchaser.

#### **Waiver of Stay**

59. The Trustee requests that the Sale Order be effective immediately by providing that the 14-day stay under Fed.R.Bankr.P. 6004(h) be waived. The purpose of Rule 6004(h) is to provide sufficient time for an objecting party to appeal before an order can be implemented. *See* Advisory Committee Notes to Fed.R.Bankr.P. 6004(h) and 6006(d). All creditors and parties in interest will receive notice of the Auction and will be provided with an opportunity to be heard. The Trustee submits that such notice is adequate, and that waiving the 14-day waiting period is warranted.

#### **Waiver of Page Limitations**

60. Given the nature of the issues addressed herein, the Trustee respectfully requests that the Court waive the 15-page limit established by Local Bankruptcy Court Rule 5005-3.D.

**Notice**

61. Notice of this Sale Motion has been provided to the Office of the United States Trustee, the Debtors, the Buyer, the Lender, all parties filing proofs of claim in the Debtors' bankruptcy cases, the Debtors' members, all counter-parties to contracts and leases with the Debtors, and all other parties requesting notice of pleadings filed in these cases. The Trustee respectfully submits that such notice be approved as adequate under the circumstances.

**WHEREFORE**, Frances Gecker, solely as Chapter 11 trustee for Erie Street Investors, LLC and its affiliated debtors, respectfully requests that the Court:

(A) Enter an order (i) approving the Bidding Procedures and the Break-Up Fee, (ii) scheduling the Auction and the Sale Hearing, and the associated deadlines, and (iii) approving the form and manner of notice of the Auction and Sale Hearing and certain bidding protections as described herein;

(B) Enter a second order at the Sale Hearing: (1) authorizing and approving the Sale, pursuant to 11 U.S.C. §§ 363(b) and (f), free and clear of liens, claims, interests and encumbrances to the Buyer or other Winning Bidder, and (ii) approving the assumption and assignment of the Assumed Contracts and Leases pursuant to 11 U.S.C. § 365, and

(C) Granting such other and further relief as the Court deems just and proper.

Date: August 24, 2017

Respectfully Submitted,

FRANCES GECKER, SOLELY IN HER CAPACITY AS THE  
CHAPTER 11 TRUSTEE IN THE CHAPTER 11 CASES OF  
ERIE STREET INVESTORS, LLC AND ITS AFFILIATED  
CHAPTER 11 DEBTORS

By:                   /s/ Micah R. Krohn                    
One of her attorneys

Frances Gecker (IL Bar No. 6198450)  
Micah R. Krohn (IL Bar No. 6217264)  
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**CERTIFICATE OF SERVICE**

I, Micah R. Krohn, an attorney, hereby certify that on **August 24, 2017**, a true and correct copy of the **Trustee's Motion for Order Approving Bidding Procedures and Authorizing Sale of Property Free and Clear of Liens, Claims and Encumbrances** was filed electronically. Notice of the filing, together with a true and correct copy of the motion, will be automatically served upon all parties who are named on the attached Electronic Mail Notice List by operation of the Court's Electronic Filing System. In addition, copies were served via Federal Express overnight priority delivery upon those parties indicated on the attached Service List.

*/s/ Micah R. Krohn*

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## Mailing Information for Case 17-10554

### Electronic Mail Notice List

The following is the list of **parties** who are currently on the list to receive email notice/service for this case.

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c/o Chris Cosentino  
The Cosentino Law Firm  
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801 E. Main St.  
c/o Chris Cosentino  
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a/k/a Century 21 Affiliated  
c/o Cheryl Fulop  
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Brunch  
Onion Erie Enterprises, LLC  
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Cerno Construction LLC  
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**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION**

In re:	)	Chapter 11
	)	
ERIE STREET INVESTORS, LLC, <i>et al.</i> <sup>1</sup> ,	)	Case No. 17-10554
Debtors.	)	(Jointly Administered)
	)	
	)	Hon. Deborah L. Thorne

**ORDER APPROVING BIDDING PROCEDURES AND AUTHORIZING SALE OF  
PROPERTY FREE AND CLEAR OF LIENS, CLAIMS AND ENCUMBRANCES**

Upon the motion (the “Motion”), filed by Frances Gecker (the “Trustee”), not individually but as the Chapter 11 trustee of the bankruptcy estates of Erie Street Investors, LLC and its affiliated debtors (collectively, the “Debtors”), seeking the entry of orders pursuant to 11 U.S.C. §§ 363 and 365 and Rules 2002, 6004, and 6006 of the Federal Rules of Bankruptcy Procedure: (A) approving the bidding procedures attached hereto as **Exhibit 1** (the “Bidding Procedures”) and certain bid protections, (B) scheduling (i) an auction (“Auction”) of the Debtors’ real estate, improvements and personal property thereon and related thereto (the “Properties”) and (ii) a hearing after the Auction to confirm the sale of the Properties (the “Sale Hearing”) and (C) authorizing and approving (i) the sale of the Properties free and clear of liens, claims and encumbrances (the “Sale”), and (ii) the assumption and assignment of executory contracts and unexpired leases of the Debtors as may be requested by Stonebridge Real Estate Co., LLC (the “Buyer”) or other Winning Bidder<sup>2</sup> (collectively, the “Assumed Contracts”); due

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<sup>1</sup> The Debtors in these Chapter 11 cases include: Erie Street Investors, LLC; LaSalle Investors, LLC; WSC Parking Fund I; George Street Investors, LLC; and Sheffield Avenue Investors, LLC.

<sup>2</sup> Unless specified otherwise, capitalized terms herein are defined in the Bidding Procedures.

written notice of the Motion having been served on all parties entitled thereto; and the Court having considered the statements of counsel and having jurisdiction over this core proceeding;

**BASED ON THE REPRESENTATIONS OF THE PARTIES, THE COURT HEREBY FINDS THAT:**

A. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157(a) and 1334.

B. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A), (N), and (O).

C. The relief requested in the Motion is in the best interest of the Debtors and their estates, creditors and other parties in interest.

D. The notice given by the Trustee of the Motion and the hearing on the Motion constitutes due and sufficient notice thereof under the circumstances, and no other or further notice is required.

E. The Trustee has articulated good and sufficient reasons for: (i) approving the Bidding Procedures, (ii) granting certain bid protections, including the Break-Up Fee, in favor of the Buyer, (iii) approving the manner of notice of the Motion, the Bid Deadline, the Auction, the Sale Hearing, and the assumption and assignment of the Assumed Contracts, and (iv) scheduling the Sale Hearing.

F. The Trustee's payment to the Buyer of the Break-Up Fee, free and clear of liens, claims and encumbrances, on the terms set forth in this Order (i) is an actual and necessary cost and expense of preserving the Debtors' estates, within the meaning of 11 U.S.C. § 503(b), (ii) is of substantial benefit to the Debtors' estates, (iii) is reasonable and appropriate, in light of the size and nature of the potential Sale and the efforts that have been and will be expended by the Buyer notwithstanding that the proposed Sale is subject to higher or better offers, (iv) was

negotiated by the parties at arm's length and in good faith, and (v) is necessary to ensure that the Buyer will continue to pursue its proposed acquisition of the Properties.

G. The Bidding Procedures are reasonable and appropriate and reasonably designed to maximize the value of the Properties for the benefit of the Debtors' estates and their creditors.

**THEREFORE, IT IS ORDERED AS FOLLOWS:**

**Auction and Bidding Procedures**

1. The Motion is granted.
2. All objections to the Motion or the relief provided herein that have not been withdrawn, waived or settled, and reservations of rights included therein, are overruled and denied on the merits.
3. The Bidding Procedures, substantially in the form attached hereto as **Exhibit 1**, and incorporated herein by reference as if fully set forth herein, are hereby approved and shall govern the Auction proceedings.
4. Pursuant to the Bidding Procedures, and as set forth more fully therein, the Bid Deadline shall be **September 19, 2017 at 12:00 p.m. (Central Time)**. No Bid shall be deemed to be a Qualified Bid or otherwise considered for any purposes unless such Bid meets the requirements set forth in the Bidding Procedures. For the avoidance of doubt, the Sale Agreement constitutes a Qualified Bid so long as the Buyer is not in breach of the Sale Agreement.
5. The Trustee may sell the Properties, and enter into the transactions contemplated by the Sale Agreement, by conducting an Auction in accordance with the Bidding Procedures.



6. If Qualified Bids, other than the Qualified Bid of the Proposed Purchaser, are timely received by the Trustee in accordance with the Bidding Procedures, the Auction shall take place on **September 20, 2017 at 2:00 p.m. (Central Time)** at the offices of FrankGecker LLP, located at 325 North LaSalle Street, Suite 625, Chicago, Illinois 60654, or such other place and time as the Trustee shall notify all Qualified Bidders, including the Proposed Purchaser, and other invitees. The auction shall be conducted in accordance with the Bidding Procedures.

7. The Trustee is authorized to terminate the bidding process or the Auction at any time if she determines, in her business judgment, that the bidding process will not maximize value for the Debtors' estates.

8. The form of Sale Agreement attached hereto as **Exhibit 2** and incorporated herein by reference as if fully set forth herein, is approved in all respects. To the extent a conflict exists between the terms of the Sale Agreement and this Bidding Procedures Order, the terms of this Bidding Procedures Order shall control and govern.

9. At any time prior to the Auction, the Trustee may withdraw the Properties from sale in her sole discretion. In the event that the Trustee withdraws the Properties and the Buyer is not then in default of the Sale Agreement, the Buyer will be entitled to reimbursement of its actual, out-of-pocket costs, in an amount no greater than the Break-Up Fee, incurred in connection with the negotiation of the Sale Agreement and any due diligence performed regarding the Properties.

10. If, as of the Auction Date, there are no Qualified Bidders other than the Buyer, the Trustee will sell the Properties to the Buyer pursuant to the terms and conditions of the Sale Agreement without further extension or delay.

11. Provided that one or more Qualified Bids are received prior to the Initial Bid Deadline, the Trustee may thereafter establish such modified or additional Bidding Procedures as the Trustee deems appropriate based on the circumstances, provided any modifications and additions shall not be materially inconsistent with the Bidding Procedures.

**Bid Protections**

12. In consideration of the costs that Buyer has incurred in connection with the negotiation of the Sale Agreement and the contemplated due diligence and the obligation of the Trustee to maximize the value of the Properties through the Auction process, the Buyer shall be entitled to a cash break-up fee in the amount of \$500,000.00 (the "Break-Up Fee") as an allowed administrative priority claim, free and clear of all liens, claims, encumbrances, and interests, if a Winning Bidder other than the Buyer acquires the Properties under competitive bidding as described herein.

13. The Break-Up Fee shall be paid to the Buyer at the closing of the sale of the Properties from the sale proceeds, free and clear of all liens, claims, encumbrances and interests.

14. Any opening competitive Qualified Bid at the Auction must be in the amount of at least **\$42.5 Million** (the "Overbid"). Subsequent incremental bids must exceed the previous high bid by at least \$50,000.00.

15. An Overbid must comply with the conditions for a Qualified Bid, other than the Bid Deadline, set forth in the Bidding Procedures.

16. Any Overbid must remain open and binding on the Bidder until and unless the Trustee accepts a higher Overbid.

**Sale Hearing**

17. The Sale Hearing shall take place on **September 28, 2017 at 9:30 a.m. (Central Time)** in the United States Bankruptcy Court for the Northern District of Illinois, Eastern Division, Dirksen Federal Building, 219 South Dearborn Street, Room No. 613, Chicago, Illinois 60604, at which time the Court shall consider the Motion, the proposed Sale, and confirm the results of the Auction, if any.

18. Objections, if any, to the sale of the Properties to the Winning Bidder and the transactions contemplated therewith must be in writing, in conformance with the Federal Rules of Bankruptcy Procedure and the Local Rules of the Bankruptcy Court, and set forth: (a) the nature of the objector's claim against or interests in the Debtors' estates; (b) the basis and specific grounds for the objection; and (c) all evidence in support of said objection, and be filed and served so as to be received on or before **September 25, 2017 at 4:00 p.m., Central Time**, by counsel for the Debtors, Crane Heyman Simon Welch & Clar, 135 South LaSalle Street, Suite 3705, Chicago, Illinois 60603, Attn: Scott R. Clar (*sclar@craneheyman.com*); counsel for the Trustee, FrankGecker LLP, 325 North LaSalle Street, Suite 625, Chicago, Illinois 60654, Attn: Micah R. Krohn (*mkrohn@fgllp.com*); counsel for the Office of the United States Trustee, Denise A. Delaurent, 219 South Dearborn Street, Room 873, Chicago, Illinois 60604 (*USTPRegion11.es.ecf@usdoj.gov*); counsel for the Proposed Purchaser, Shaw Fishman Glantz & Towbin LLC, 321 N. Clark Street, Suite 800, Chicago, IL 60654, Robert W. Glantz (*rglantz@shawfishman.com*); and counsel to the Debtors' secured lenders, Dykema Gossett PLLC, 10 South Wacker Drive, Suite 2300, Chicago, Illinois 60606, Attn: Edward S. Weil (*eweil@dykema.com*).

19. The failure to timely file and serve an objection by the Objection Deadline shall be a bar to the assertion, prior to, at the Sale Hearing or thereafter, of any such objection to the Motion, the Sale, or the Trustee's consummation of the Sale.

20. The Sale Hearing may be continued from time to time without further notice to creditors or parties in interest other than by announcement of the continuance in open court.

**Notice**

21. Within five business days after entry of this Order (the "Mailing Date"), the Trustee shall serve a copy of the Bidding Procedures Order, including the Sale Agreement, the Bidding Procedures and the Auction and Sale Notice attached hereto as **Exhibit 3**, by first-class U.S. mail, postage prepaid, or by ECF if the parties appear on the Court's ECF service list for these cases, upon: (a) the Debtors, (b) the U.S. Trustee, (c) the Buyer, (d) the Lender, (e) all entities that the Trustee's Court-approved real estate broker, Jones Lang LaSalle Americas (Illinois), L.P., has identified as having expressed a continuing interest in the Properties, (f) counterparties to the Debtors' executory contracts and unexpired leases identified in the Bankruptcy Schedule G filed by each Debtor and documents that the Debtors produced to the Trustee, (g) the Debtors' members, and (h) all parties that have requested notice in the Debtors' bankruptcy cases. Such notice shall be, and is hereby deemed to be, good and sufficient notice of the Auction, the Sale, the Sale Hearing, and the Bid Procedures and requirements applicable thereto.

**Additional Provisions**

22. Any and all liens, claims, encumbrances, and interests shall be paid from the Sale Proceeds pursuant to the Sale Order or the further order of the Bankruptcy Court.

23. In the event that the Trustee withdraws the Property, or the Court fails to confirm a Sale for any reason, including the Court's confirmation of the Debtors' proposed Plan of Reorganization, and Buyer is not then in default of the Sale Agreement, Buyer shall be entitled to an administrative priority claim in an amount equal to its actual, out-of-pocket costs incurred relating to the negotiation of the Sale Agreement and any due diligence performed regarding the Property, in an amount no greater than the Break-Up Fee.

24. This Court shall retain jurisdiction to hear and determine all matters arising from the implementation of this Order.

25. The 14-day stay period established by Fed.R.Bankr.P. 6004(h) is waived.

26. The fifteen (15) page limit established by Local Rule 5005-3(D) is waived.

27. In the event that there are any inconsistencies between the terms of this Bidding Procedures Order and the Sale Agreement (including all ancillary documents executed in connection therewith), the terms of the Bidding Procedures Order shall govern.

28. The Trustee is authorized to take all actions necessary to effectuate the relief granted pursuant to this Bidding Procedures Order in accordance with the Motion.

DATED:

ENTERED:

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Honorable Deborah L. Thorne  
United States Bankruptcy Judge

# EXHIBIT 1

## **BIDDING PROCEDURES<sup>1</sup>**

By the Trustee's Motion for Order Approving Bidding Procedures and Authorizing Sale of Property Free and Clear of Liens, Claims and Encumbrances dated August 24, 2017, Frances Gecker, not individually but as the Chapter 11 trustee (the "Trustee") of the bankruptcy estate of Erie Street Investors, LLC and its affiliated debtors<sup>2</sup> (collectively, the "Debtors"), sought approval of, among other things, the procedures through which the Trustee will determine the highest and best bid for the sale (the "Sale"), free and clear of all liens, claims and encumbrances, of substantially all of the Debtors' properties, including land, improvements, contract and lease rights and all other personal property thereon and relating thereto (collectively, the "Properties"), as described in the Agreement for Purchase and Sale of Real Property by and among the Trustee, as Seller, and Stonebridge Real Estate Co., LLC, as purchaser (the "Proposed Purchaser") dated as of August 24, 2017 (the "Sale Agreement").

On August \_\_, 2017, the United States Bankruptcy Court for the Northern District of Illinois (the "Bankruptcy Court") entered an order (the "Bidding Procedures Order"), which, among other things, authorized the Trustee to determine the highest and best price for the Properties through the process and procedures set forth below (the "Bidding Procedures").

### **Auction Qualification Process**

#### **QUALIFYING BIDS MUST INCLUDE ALL PROPERTIES. THE TRUSTEE WILL NOT CONSIDER BIDS FOR LESS THAN ALL PROPERTIES.**

To be eligible to participate in the Auction (defined below), each offer, solicitation or proposal (each, a "Bid"), and each party submitting such a Bid (each, a "Bidder"), must be determined by the Trustee to satisfy each of the following conditions:

- (a) **Earnest Money Deposit**: Each Bid must be accompanied by a cashier's or certified check, payable to "Frances Gecker, solely as Chapter 11 trustee of Erie Street Investors, LLC, et al.", in the amount of \$2 million (the "Earnest Money Deposit").
- (b) **Minimum Bid**: A Bid must include an executed purchase agreement in substantially the same form as the Sale Agreement setting forth a purchase price of not less than **\$42.5 million** (the "Modified Sale Agreement"). A Bid also shall include a copy of the Sale Agreement marked to show all changes requested by the Bidder (the "Marked Agreement").

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<sup>1</sup> Capitalized terms used but not defined herein shall have the meanings ascribed to them in the motion to approve these Bidding Procedures or the Sale Agreement, as applicable.

<sup>2</sup> The Debtors in these Chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, include: Erie Street Investors, LLC (7910); LaSalle Investors, LLC (1653); WSC Parking Fund I (5829); George Street Investors, LLC (9924); and Sheffield Avenue Investors, LLC (1057).

- (c) Corporate Authority: The Bid must include written evidence acceptable to the Trustee demonstrating appropriate corporate authorization to consummate the proposed Sale, provided, however, that, if the Bidder is an entity specially formed for the purpose of effectuating the Sale, then the Bidder must furnish written evidence reasonably acceptable to the Trustee of the approval of the Sale by the equity holder(s) of such Bidder.
- (d) Proof of Financial Ability to Perform: The Bid must include written evidence that the Trustee, in her sole discretion, concludes demonstrates that the Bidder has the necessary financial ability to close the Sale. Such information must include, *inter alia*, the following:
- (i) Contact names and numbers for verification of financing sources;
  - (ii) Evidence of the Bidder's internal resources and proof of unconditional debt or equity funding commitments, from a recognized banking institution in the amount of the Bid or the posting of an irrevocable letter of credit from a recognized banking institution issued in favor of the Trustee in the amount of the Bid, in each case, as are needed to close the Sale;
  - (iii) The Bidder's current financial statements (audited if they exist) provided, that if the Bidder is an entity formed solely for the purpose of the Bid, the Bidder shall include current financial statements (audited if they exist) for such Bidder's equity holders; or
  - (iv) Any such other form of financial disclosure or credit-quality support information reasonably acceptable to the Trustee demonstrating that such Bidder has the ability to close the Sale.
- (e) No Contingencies: A Bid may not (i) contain restrictive representations and warranties, covenants, termination rights, due diligence contingencies other than those set forth in the Sale Agreement, or (ii) be conditioned on obtaining financing or any internal approval, or on the outcome or review of due diligence.
- (f) Irrevocable: A Bid must be irrevocable through the time of the Auction (as defined herein), provided, however, that if such Bid is accepted as the Winning Bid or the Back-Up Bid (each as defined herein), such Bid shall continue to remain irrevocable, subject to the terms and conditions of these Bidding Procedures, until 14 days after the entry of the Sale Order (defined below).
- (g) Attendance at Auction / Acknowledgement of Bidding Procedures: Any Bidder meeting all of the requirements in these Bidding Procedures that wishes to participate in the Auction must attend the Auction in person and acknowledge in writing that it is familiar with, understands and accepts the procedures specified in the Sale Procedures Order.



- (h) Bid Deadline: The Trustee must actually receive a Bid in writing, on or before **September 19, 2017 at 12:00 p.m. (Central Time)** (the "Bid Deadline") at the following address: FrankGecker LLP, 325 North LaSalle Street, Suite 625, Chicago, Illinois 60654, Attn: Reed Heiligman (*rheiligman@fgllp.com*).
- (i) Qualified Bid / Qualified Bidder: Any person qualifying under all of the above standards ("Qualified Bidder") shall be entitled to bid to purchase the Properties. Any bid made by a Qualified Bidder on or before the Bid Deadline, that otherwise complies with the Sale Procedures Order, shall be referred to as a "Qualified Bid." If the Proposed Purchaser is not in default under the terms of this Agreement, the Proposed Purchaser shall be deemed a Qualified Bidder.
- (j) Notice of Qualified Bids to the Proposed Purchaser: The Trustee shall provide the Proposed Purchaser with a copy of the contract included as part of each Qualified Bid received from any Qualified Bidders as such Qualified Bids are received by the Trustee and, in any event, no later than 4:30 p.m. on the date prior to the Auction. The Trustee shall endeavor to provide the Proposed Purchaser with any Qualified Bid within one (1) business day of receipt by the Trustee.
- (k) Sale to Proposed Purchaser in Absence of Other Qualified Bids: If the Trustee does not receive any other Qualified Bid(s) on or before the Bid Deadline, the Trustee shall seek approval of the Sale to the Proposed Purchaser pursuant to the Sale Agreement.

#### **Inspection of the Properties / Access to Proposed Purchaser's Due Diligence Materials**

The Trustee will grant reasonable access to the Properties to any person expressing an interest in viewing them for the purpose of making a Bid, and the Trustee will further agree to make environmental, financial and such other information concerning the Properties available to any Bidder. The Trustee will require any Bidder to enter into a confidentiality agreement, in form and substance reasonably acceptable to Trustee, prior to granting access or disseminating environmental, financial and other information to such Bidder or its representatives. The Proposed Purchaser, without any representations or warranties whatsoever, shall promptly make available to all Bidders a copy of any and all environmental, inspection, soil and other reports independently obtained by the Proposed Purchaser relating to the physical condition of the Properties prior to the Auction. Neither the Proposed Purchaser nor its officers, employees, agents, advisers, attorneys, accountants, architects, engineers and other professionals, nor any of its prospective lenders, shall incur any liability for providing such reports to the Bidders.

#### **Auction**

If one or more Qualified Bids (other than the Sale Agreement) are received by the Bid Deadline, the Trustee will conduct an auction (the "Auction") to determine the highest and best Qualified Bid.

The Auction shall take place on **September 20, 2017 at 2:00 p.m. (prevailing Central Time)** at the offices of FrankGecker LLP, located at 325 North LaSalle Street, Suite 625, Chicago, Illinois 60654, or such other place and time as the Trustee shall notify all Qualified

Bidders, including the Proposed Purchaser, and other invitees. The Auction shall be conducted according to the following procedures:

- (a) Open Bidding. The Trustee shall conduct the Auction by open bidding among the Proposed Purchaser and other Qualified Bidders present at the Auction. The Trustee will be permitted to conduct separate or joint off-the-record discussions with any Qualified Bidder, including the Proposed Purchaser.
- (b) Court Reporter. The Auction will be transcribed by a certified court reporter.
- (c) Limited Attendance / Participation at Auction. Unless otherwise agreed by the Trustee, only the Trustee, her professionals, the Debtors and their counsel, the Proposed Purchaser and its counsel, and any other Qualified Bidder, in each case, along with their representatives, shall attend the Auction in person, and only the Proposed Purchaser and such other Qualified Bidders will be entitled to make any Bids at the Auction. Each Qualified Bidder participating in the Auction must confirm that it has not engaged in any collusion with respect to the bidding or sale of the Properties and at the Trustee's request, each Qualified Bidder must disclose the direct and indirect legal and beneficial owners of the Qualified Bidder.
- (d) Overbids. Any opening competitive Qualified Bid at the Auction must exceed the Purchase Price by at least \$1 Million (the "Overbid"). Subsequent incremental bids must exceed the previous high bid by at least \$50,000.00.

Except as modified herein, an Overbid must comply with the conditions for a Qualified Bid set forth above other than the Bid Deadline. Any Overbid must remain open and binding on the Bidder until and unless the Trustee accepts a higher Overbid.

To the extent not previously provided (which shall be determined by the Trustee, in her sole discretion), a Bidder submitting an Overbid must submit, as part of its Overbid, written evidence (in a form reasonably acceptable to the Trustee) demonstrating the Bidder's ability to close the Sale in the amount of the Overbid.

The Trustee reserves the right, in her reasonable business judgment, to continue the Auction one time for no more than two days to, among other things, facilitate discussions between the Trustee and individual Bidders, allow individual Bidders to consider how they wish to proceed, and give Bidders the opportunity to provide the Trustee with additional evidence of the Bidder's ability to close the Sale at the prevailing Overbid amount.

- (e) Closing the Auction. At the conclusion of the Auction, the Trustee will determine which Qualified Bid is the highest and best offer ("Winning Bid"). A person making a Winning Bid is hereinafter referred to as a "Winning Bidder." The Bidding Procedures Order shall provide for a hearing (the "Sale Hearing") after the Auction at which time the Trustee shall seek the entry of an order authorizing the Trustee to consummate the Sale upon the terms of the Winning Bid with the Winning Bidder, and to execute such additional documentation as is reasonably

necessary to close the Sale upon the terms of the Winning Bid (the "Sale Order"). The Trustee will not consider any Bids submitted after the conclusion of the Auction.

- (f) Back-Up Bidder. In the event that a Winning Bidder defaults in the performance of its obligations to purchase the Properties pursuant to a Winning Bid, then the Trustee may treat the next highest bidder for the Properties as the Winning Bidder. Consequently, that person's bid ("Back-Up Bid") will be treated as the Winning Bid. No Bidder other than the Winning Bidder shall be bound in any way once the Trustee determines the Winning Bidder and each other Bidder shall be entitled to return of its Earnest Money Deposit as set forth below.
- (g) Additional Procedures. The Trustee may announce at the Auction additional procedural rules that are reasonable under the circumstances for conducting the Auction, so long as such rules are not inconsistent with these Bidding Procedures or the Sale Agreement.
- (h) Consent to Jurisdiction as Condition to Bidding. The Proposed Purchaser and all Qualified Bidders at the Auction shall be deemed to have consented to the core jurisdiction of the Bankruptcy Court and waived any right to a jury trial in connection with any disputes relating to these Bidding Procedures, the Sale Agreement, the Auction or the construction and enforcement of any documents delivered in connection with a Bid.
- (i) As Is / Where Is.

**The Properties will be offered on an "as is, where is" basis without representations or warranties of any kind whatsoever. By submitting a bid, each Bidder shall be deemed to have acknowledged and represented that: (a) it has had an opportunity to inspect and examine the Properties and to conduct any and all due diligence regarding the Properties prior to making its bid; (b) it has relied solely upon its own independent review, investigation and/or inspection of any documents and the Properties in making its bid; and (c) it did not rely upon any written or oral statements, representations, promises, warranties, or guaranties whatsoever, whether express, implied, by operation of law or otherwise, regarding the Properties by any person whatsoever, or the completeness of any information provided in connection therewith or at the Auction.**

- (j) Free and Clear Sale. The Sale Order will authorize and approve the transfer of all of the Debtors' right, title and interest in and to the Properties and the assumption and assignment of the leases and other contracts identified by the Winning Bidder to the Winning Bidder, free and clear of all liens, claims, encumbrances, and

interests (unless otherwise agreed to by the Winning Bidder and the Trustee), with any such liens, claims, encumbrances, and interests attaching to the Sale Proceeds in the same amount, rank and priority as those liens, claims, encumbrances, and interests enjoyed prior to the Auction and Sale. Any and all liens, claims, encumbrances, and interests shall be paid from the Sale Proceeds pursuant to the Sale Order, and, in the event that any liens, claims, encumbrances or interests are in dispute, pursuant to further order of the Bankruptcy Court.

### **Sale Hearing**

The Court will conduct the Sale Hearing on **September 28, 2017 at 9:30 a.m. (prevailing Central Time)**, at which time the Trustee will seek approval of the transactions contemplated by the Sale Agreement with the Winning Bidder. Objections, if any, to the sale of the Properties to the Winning Bidder and the transactions contemplated therewith must be in writing, in conformance with the Federal Rules of Bankruptcy Procedure and the Local Rules of the Bankruptcy Court, and set forth: (a) the nature of the objector's claim against or interests in the Debtors' estates; (b) the basis and specific grounds for the objection; and (c) all evidence in support of said objection, and be filed and served so as to be received on or before **September 25, 2017 at 4:00 p.m., Central Time**, by counsel for the Debtors, Crane Heyman Simon Welch & Clar, 135 South LaSalle Street, Suite 3705, Chicago, Illinois 60603, Attn: Scott R. Clar (*sclar@craneheyman.com*); counsel for the Trustee, FrankGecker LLP, 325 North LaSalle Street, Suite 625, Chicago, Illinois 60654, Attn: Micah R. Krohn (*mkrohn@fgllp.com*); counsel for the Office of the United States Trustee, Denise A. Delaurent, 219 South Dearborn Street, Room 873, Chicago, Illinois 60604 (*USTPRegion11.es.ecf@usdoj.gov*); counsel for the Proposed Purchaser, Shaw Fishman Glantz & Towbin LLC, 321 N. Clark Street, Suite 800, Chicago, IL 60654, Robert W. Glantz (*rglantz@shawfishman.com*); and counsel to the Debtors' secured lenders, Dykema Gossett PLLC, 10 South Wacker Drive, Suite 2300, Chicago, Illinois 60606, Attn: Edward S. Weil (*eweil@dykema.com*). Any person objecting to the Sale Motion that has not complied with the requirements of this paragraph will not be heard at the Sale Hearing.

### **Return of Earnest Money Deposit**

The Earnest Money Deposits of all Qualified Bidders, if any, shall be held in one or more interest-bearing escrow accounts by the Trustee, and shall not become property of the Debtors' estates absent further order of the Court. In the event that a Winning Bidder defaults in the performance of its obligation to purchase the Properties pursuant to a Winning Bid, that person's Earnest Money Deposit shall be forfeited and shall be immediately transferred to the Trustee. Any person making an Earnest Money Deposit, including the Proposed Purchaser, who does not become the Winning Bidder shall have its Earnest Money Deposit returned within two (2) business days after the earlier of (i) the entry of the Sale Order or (ii) the withdrawal of the Properties for sale by the Trustee. If the Winning Bidder timely closes the winning transaction, its Earnest Money Deposit, if any, shall be credited toward its purchase price.

# **EXHIBIT 2**

**AGREEMENT FOR PURCHASE AND SALE**

**OF**

**REAL PROPERTY**

THIS AGREEMENT FOR PURCHASE AND SALE OF REAL PROPERTY ("**Agreement**") is made and entered into this 24<sup>th</sup> day of August, 2017 by and between Stonebridge Real Estate Co., LLC ("**Buyer**"), and FRANCES GECKER, not individually, but solely in her capacity as the chapter 11 trustee ("**Trustee**" or "**Seller**") of the bankruptcy estates of Erie Street Investors, LLC; LaSalle Investors, LLC; WSC Parking Fund I; George Street Investors, LLC; and Sheffield Avenue Investors, LLC, (collectively, the "**Debtors**").

**RECITALS**

**WHEREAS**, the Debtors have each filed a voluntary petition for relief under chapter 11 of the United States Bankruptcy Code ("**Code**") thereby commencing cases in the United States Bankruptcy Court for the Northern District of Illinois ("**Bankruptcy Court**"), which cases are pending in the Bankruptcy Court as Case Nos. 17-10554, 17-10557, 17-10561, 17-10806 and 17-10810 (collectively the "**Cases**");

**WHEREAS**, Seller is the duly appointed chapter 11 trustee of the Debtors, and, upon proper authorization from the Bankruptcy Court, may sell and assign assets of the Debtors' bankruptcy estates (collectively, the "**Estates**") outside of the ordinary course of business;

**WHEREAS**, Seller desires to sell, assign, transfer and convey to Buyer certain of the Estates' land and improvements thereon and certain assets related to such land and improvements commonly known as 747 N. LaSalle, 343 W. Erie, 600 S. Clark, 2852 N. Southport, 1411 W. George and 2954 N. Sheffield, all located in Chicago, Illinois, which land is legally described in Exhibit A attached hereto (collectively the "**Land**");

**WHEREAS**, the Land is improved with commercial and residential buildings, parking structures and other improvements (collectively, the "**Improvements**"); and

**WHEREAS**, Buyer desires to purchase from Seller the Land and Improvements and the other property as hereinafter described at an agreed upon price and under specified terms and conditions.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

**ARTICLE 1**

**Definitions and Certain Background**

Section 1.01 As used herein, the following terms shall have the following meanings:

<b>Act</b>	defined in Section 2.03(f)
<b>Assignment</b>	defined in Section 9.13
<b>Assignment and Assumption of Leases</b>	defined in Section 2.03(e)
<b>Auction</b>	defined in Section 4.01(a)
<b>Auction Date</b>	defined in Section 4.01(a)
<b>Auction Notice</b>	defined in Section 4.01(a)
<b>Back-Up Bid</b>	defined in Section 4.01(a)
<b>Bankruptcy Code</b>	defined in Section 4.01
<b>Bankruptcy Court</b>	The United States Bankruptcy Court for the Northern District of Illinois, Eastern Division
<b>Bid Analysis</b>	defined in Section 4.01(a)
<b>Break-Up Fee</b>	defined in Section 4.01(a)
<b>Broker</b>	JLL Capital Markets
<b>Buyer Parties</b>	defined in Section 3.05
<b>Casualty</b>	defined in Section 7.02.
<b>Closing</b>	the closing of the transaction contemplated by this Agreement
<b>Closing Date</b>	a date mutually acceptable to the Buyer and Seller on or prior to September 30, 2017.
<b>Condemnation</b>	defined in Section 7.02.
<b>Contracts</b>	all contracts currently in effect to which Seller is a party relating to the ownership, management, development, operation, leasing or maintenance of the Property, together with any and all amendments thereto, including the Leases (as hereafter defined).
<b>Deposit</b>	defined in Section 2.05(a)

<b>Disapproved Exceptions</b>	defined in Section 3.03
<b>Due Diligence Period</b>	defined in Section 3.04
<b>Earnest Money</b>	defined in Section 2.05(b)
<b>Effective Date</b>	the date on which Seller provides notice to Buyer of entry of the Sale Procedures Order
<b>Entitlements</b>	all transferable consents, authorizations, variances or waivers, all legislative and adjudicative or quasi-judicial approvals, including, without limitation, any planned unit development permits or ordinances or building permits, conditional use permits, development agreements, tentative or final subdivision or parcel maps, use permits, coastal development permits, building or grading permits, covenants or other agreements running with the Land, any ordinances, resolutions, or any other approvals from any Governmental Authority relating to the Land or any part thereof, and any rights to the use of utilities from any public or private utility
<b>Environmental Law</b>	any federal, state, regional, county or local governmental statute, law, regulation, ordinance, order or code or any consent decree, judgment, permit, license, code, covenant, deed restriction, common law, or other requirement presently in effect or hereafter created, issued or adopted, pertaining to protection of the environment, health or safety of persons, natural resources, conservation, wildlife, waste management, and pollution (including, without limitation, regulation of releases and disposals to air, land, water and ground water), including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986, 42 U.S.C. 9601 et seq., Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976 and Hazardous Waste and Solid Amendments of 1984, 42 U.S.C. 6901 et seq., Federal Water Pollution Control Act, as amended by the Clean Water Act of 1977, 33 U.S.C. 1251 et seq., Clean Air Act of 1963, as amended, 42 U.S.C. 7401 et seq., Toxic Substances Control Act of 1976, 15 U.S.C. 2601 et seq., Occupational Safety and Health Act of 1970, as amended, 29 U.S.C. 651 et seq., Emergency Planning and Community Right-To-Know Act of 1986, 42 U.S.C. 11001 et seq., National Environmental Policy Act of 1969, 42 U.S.C. 4321 et seq., Safe Drinking Water Act, as amended, 42 U.S.C. 300(f) et seq., and all amendments as well as any similar state or local statute or code and replacements of any of the same and rules, regulations, guidance documents and publications promulgated thereunder.
<b>Escrowee</b>	defined in Section 2.05(a)
<b>Estoppel</b>	defined in Section 2.03(e)
<b>Governmental Authority</b>	governmental agency, bureau, board, commission, court, department, official, political subdivision, tribunal or other instrumentality of any government, whether federal, state or local, domestic or foreign



<b>Intangible and Personal Property</b>	all of the Estates' right, title and interest in and to any intangible and other personal property owned or held by the Estates and used in connection with the Land and Improvements, including, without limitation, all Entitlements, Licenses appliances, parking systems and equipment, fixtures, all heating, electrical, plumbing, well systems and other equipment.
<b>Intangible Property</b>	all of the Estates' right, title and interest in and to any intangible property owned or held by the Estates in connection with the Land and Improvements, including, without limitation, all Entitlements and Licenses.
<b>Land</b>	defined in the Recitals
<b>Leases</b>	All residential and commercial leases encumbering the Property described on the Rent Roll attached hereto as <u>Exhibit B</u> .
<b>Licenses</b>	all transferable licenses, warranties and guaranties relating to the Land, Improvements or any part thereof
<b>Motion</b>	defined in Section 4.01(a)
<b>Overbid</b>	defined in Section 4.01(a)
<b>Permitted Exceptions</b>	defined in Section 3.01
<b>Potential Bidder</b>	defined in Section 4.01(a)
<b>Property Information</b>	defined in Section 3.05
<b>Property</b>	collectively, the Land, the Improvements, the Intangible Property, equipment and the Licenses, together with all right, title and interest of Seller to land, if any, lying in the bed of any street, road, or avenue, open or proposed, at the foot of, adjoining or below the Land and in and to any strips and gores adjoining the Land.
<b>Purchase Price</b>	defined in Section 2.02
<b>Purchaser</b>	defined in Section 4.01(a)
<b>Qualified Bid or Qualified Bidder</b>	defined in Section 4.01(a)
<b>Rent Roll</b>	Set forth in <u>Exhibit B</u>
<b>Sale</b>	defined in Section 4.01(a)
<b>Sale Order</b>	defined in Section 4.01
<b>Sale Procedures Order</b>	defined in Section 4.01(a)

<b>Section 902(d)</b>	defined in Section 2.03(f)
<b>Surveys</b>	defined in Section 3.02
<b>Survey and Title Notice</b>	defined in Section 3.03
<b>Tenant</b>	each tenant to any Lease
<b>Title Commitment</b>	defined in Section 3.01
<b>Title Company</b>	Chicago Title Insurance Company
<b>Title Policy</b>	defined in Section 3.01
<b>Winning Bid or Winning Bidder</b>	defined in Section 4.01(a)

## ARTICLE 2

### Terms and Purchase and Sale

Section 2.01 Purchase and Sale of Property. Subject to the provisions, terms and conditions of this Agreement, Buyer, or its designee, shall purchase the Property from Seller and Seller shall sell and cause to be sold the Property to Buyer free and clear of all liens and interests other than Permitted Exceptions.

Section 2.02 Purchase Price. The purchase price (the “**Purchase Price**”) to be paid by Buyer for the Property shall be **FORTY-ONE MILLION FIVE HUNDRED THOUSAND AND NO/100 DOLLARS (\$41,500,000.00)**. The Purchase Price shall be payable as provided in Section 2.05 hereof.

Section 2.03 Conditions to Buyer’s Obligations. The obligation of Buyer to purchase the Property from Seller is contingent upon the satisfaction of the following conditions, unless waived by Buyer in Buyer’s sole and absolute discretion:

(a) Accuracy of Representations and Warranties. The representations and warranties of Seller set forth in this Agreement shall be true and correct on the Closing Date with the same force and effect as though made on and as of such date;

(b) Material Adverse Change. There shall not have occurred any Condemnation or Casualty with respect to which Buyer has elected to terminate this Agreement as hereinafter provided in Section 7.02 and there shall not have been discovered any violation of Environmental Laws with respect to the Property;

(c) No Termination. Buyer shall not have exercised its termination option under Section 3.07 hereof or as otherwise set forth herein;

(d) Leases in Effect; No Defaults. The Leases shall remain in full force and effect and Seller shall not be in default thereunder; and

(e) Estoppel. Seller shall have delivered to Buyer the following documents, each in form and substance reasonably acceptable to Buyer: (i) seven (7) days prior to the Closing Date,

an Estoppel Certificate executed by each non-residential Tenant dated no more than thirty (30) days prior to the Closing Date certifying to such matters as may reasonably be required by Buyer (the “**Estoppel**”), and (ii) an Assignment and Assumption of Leases whereby Seller assigns to Buyer all of the Estates’ right, title and interest in an to the Leases in a form reasonably acceptable to Buyer (the “**Assignment and Assumption of Leases**”).

(f) Illinois Income Tax Withholding. If within twenty (20) days of the Effective Date, Buyer reasonably requests that the Seller file a bulk sale notice, then Seller shall deliver a bulk sales release under Section 902(d) of the Illinois Income Tax Act (the “**Act**”), 35 ILCS 5/902(d) (herein referred to as “**Section 902(d)**”). If said release is not so delivered to Buyer as aforesaid, then Buyer may notify the Illinois Department of Revenue (herein referred to as the “**Department**”) of the intended sale and request the Department to make a determination as to whether the Seller has an assessed, but unpaid, amount of tax, penalties, or interest under the Act. Seller agrees that, if a release has not been issued by the Department, Buyer may, at the Closing, deduct and withhold from the proceeds that are due Seller, the amount necessary to comply with the withholding requirements imposed by Section 902(d). Buyer shall deposit the amount so withheld in a separate escrow with an escrowee pursuant to terms and conditions acceptable to Buyer but in any event complying with Section 902(d).

(g) No Liens. The Property shall be conveyed free and clear of all liens and interests other than Permitted Exceptions.

(h) Sale Order. The Sale Procedure Order and the Sale Order shall have been entered by the Bankruptcy Court.

Section 2.04 Conditions to Each Party’s Obligations. The obligation of each of Seller and Buyer to consummate this transaction is contingent upon the other party having performed all of the obligations to be performed by it at or before the Closing hereunder.

Section 2.05 Deposit; Terms of Payment of Purchase Price. The Purchase Price shall be paid by Buyer to Seller, as follows:

(a) Within three (3) business days after the Effective Date, Buyer shall tender the sum of **Two Million and No/100 Dollars (\$2,000,000.00)** (the “**Deposit**”) to Chicago Title Insurance Company (“**Escrowee**”), to hold as escrowee in an interest-bearing strict joint order escrow account, which Deposit and the earnings thereon shall be applied to the Purchase Price at Closing, unless it is returned to Buyer as set forth herein.

(c) The balance of the Purchase Price shall be paid to Title Company for deposit in escrow by wire transfer or certified funds on the Closing Date.

### ARTICLE 3

#### Title, Survey and Due Diligence

Section 3.01 Title Insurance. Within ten (10) days following the Effective Date, Seller shall deliver to Buyer a commitment from the Title Company (the “**Title Commitment**”) to issue to Buyer at Closing an ALTA Extended Coverage Owner’s Title Policy (the “**Title Policy**”). Within ten (10) days following the Effective Date, Seller will deliver to Buyer copies of all documents shown on Schedule B thereto. All exceptions on the Title Commitment to which Buyer fails to object pursuant to Section 3.03

hereof shall be deemed to be “**Permitted Exceptions.**”

Section 3.02 Surveys. Within ten (10) days following the Effective Date, Seller will deliver to Buyer an ALTA survey of each parcel of the Land and Improvements prepared in compliance with the 2005 ALTA/ACSM standards (the “**Surveys**”), which may be unsigned at such time of delivery. It shall be a condition of closing that Seller shall deliver a signed copy of such Surveys certified to Buyer and the Title Company showing no conditions which are not Permitted Exceptions, unless Buyer approves each such condition in writing.

Section 3.03 Objections to Title and Survey. If, within ten (10) days following the later to occur of: (i) receipt by Buyer of all of the materials to be delivered to it pursuant to Sections 3.01 and 3.02 and (ii) the Effective Date, Buyer objects to any exception or condition set forth on the Surveys or Title Commitment, Buyer may give written notice to Seller (the “**Survey and Title Notice**”) of Buyer’s disapproval of such exceptions (“**Disapproved Exceptions**”). All matters of survey and title to which Buyer does not disapprove in the Surveys and Title Notice shall be deemed additional Permitted Exceptions. If Buyer fails to deliver the Surveys and Title Notice to Seller on or before the end of such ten (10) day period, all survey matters on the Surveys and all title matters on the Title Commitment shall be deemed Permitted Exceptions.

With regard to Disapproved Exceptions, Seller may, but shall not have the obligation to, notify Buyer within five (5) business days of receipt of the Title Notice whether Seller shall cure (including, without limitation, by causing the Title Company to remove or insure over) such Disapproved Exceptions from the Title Commitment; provided however that Seller will in all instances be obligated to cure Disapproved Exceptions which are liens securing indebtedness of Seller or otherwise can be cured by the payment of money. If Seller delivers notice electing to cure all or any such Disapproved Exceptions, the same shall be removed by Seller, at Seller’s sole cost and expense on or before the Closing Date. The removal by Seller of the Disapproved Exceptions, after delivery of election to cure, shall constitute a condition precedent to Buyer’s obligation hereunder and the failure to cure such Disapproved Exceptions shall constitute a default by Seller entitling Buyer to the remedies set forth in Section 8.02 hereunder. If Seller does not so notify Buyer or notifies Buyer that it does not elect to cure such Disapproved Exceptions, with respect to any Disapproved Exception within such five (5) business day period, Buyer may either waive its objection and proceed towards closing or terminate this Agreement by giving written notice to Seller of its election within five (5) additional business days. If Buyer waives its objection in writing or fails to respond to such notice in writing, such Disapproved Exceptions (other than those which Seller has elected or is otherwise obligated to cure) shall be Permitted Exceptions. If any Disapproved Exception is to be cured by Seller pursuant to a title endorsement, such endorsement shall be approved by Buyer in Buyer’s reasonable discretion, prior to the Closing Date (with any failure by Buyer to approve such endorsement to be treated as if Seller had failed to cure the Disapproved Exception).

Section 3.04 Due Diligence Period. The “**Due Diligence Period**” shall be the period commencing on the date hereof and continuing until **September 19, 2017 at 4:00 p.m. (Central Time)** Notwithstanding the foregoing, Buyer may elect to terminate the Due Diligence Period at an earlier date by providing written notice to Seller pursuant to Section 3.07(a). Within ten (10) days after the full execution of this Agreement, Seller shall deliver to Buyer copies of all Property Information in its possession.

Section 3.05 Conduct of Due Diligence. During the Due Diligence Period, Buyer and its officers, employees, agents, advisers, attorneys, accountants, architects, engineers and other professionals, and any prospective lenders (collectively “**Buyer Parties**”) shall have the right to review any of the following in Seller’s possession (collectively, the “**Property Information**”):

- (a) any Contracts;
- (b) any Licenses;
- (c) any Entitlements;
- (d) any reports, surveys, soil tests, insurance reports, notices of violation of law, environmental assessments, and other information in Seller's possession relating to the Property;
- (e) real estate tax bills and any reassessment notices for the Property for 2016 and subsequent years;
- (f) any financial information concerning the Tenant;
- (g) pleadings relating to litigation regarding the Property; and
- (h) any other documents reasonably requested by Buyer relating to the Property.

In addition, the Buyer Parties shall have the right, and are hereby authorized, upon reasonable prior notice to Seller, to enter upon the Land to conduct inspections and investigations relating to the Property, to conduct environmental assessments (including without limitation soil borings) and engineering studies and for all other reasonable purposes. Seller shall reasonably and in good faith cooperate in Buyer's due diligence efforts, including, if so requested by Buyer, notifying any Governmental Authorities of Buyer's due diligence efforts. All costs and expenses of Buyer's due diligence shall be paid by Buyer. So long as the Agreement has not been terminated in accordance with its terms and otherwise is in effect, Seller shall continue to provide the Buyer Parties access to the Property and all Property Information.

Section 3.06 Indemnification. Buyer shall indemnify, defend and hold harmless Seller from and against any loss, damage, cost or expense for personal injury or property damage arising out of the inspections and investigations referred to in Subsection 3.05. In the event that Buyer fails to acquire the Property, Buyer shall promptly restore the Property to the condition existing immediately prior to such inspections and investigations.

Section 3.07 Right to Terminate.

(a) If Buyer, in its sole and absolute discretion, is satisfied with the results of its due diligence and accepts the condition of the Property and the other matters referred to in Section 3.05, then on or before the expiration of the Due Diligence Period, Buyer shall (i) serve written notice on Seller of its election to proceed with the transaction contemplated by this Agreement and (ii) make the payment to Escrowee pursuant to Section 2.05(b).

(b) If Buyer, in its sole and absolute discretion, is not satisfied with the results of its due diligence and, on or before the expiration of the Due Diligence Period, serves written notice on Seller of its election not to proceed with the transaction contemplated by this Agreement, then this Agreement shall be deemed terminated. In such event, Buyer shall be entitled to a return of the Deposit and all earnings thereon, but shall continue to be liable under Section 3.06 of this Agreement for its indemnification obligations and shall be further required, as a condition of the return of the Deposit, to restore the Property as therein provided.

(c) If Buyer fails to make a timely written election under (a) or (b) above, then Buyer shall be deemed to have made the election to proceed with the transaction contemplated by this Agreement as

described in (a).

(d) The parties hereto acknowledge that Buyer has incurred substantial costs in connection with the negotiation and execution of this Agreement, will incur substantial additional costs in conducting the due diligence contemplated by Section 3.05, and otherwise, that Buyer would not have entered into this Agreement without the availability of the Due Diligence Period. Therefore, the parties agree that adequate consideration exists to support Seller's obligations hereunder, even before the expiration of the Due Diligence Period.

Section 3.08 Seller's Obligation to Market Property. Due to Seller's pending Chapter 11 bankruptcy case, Buyer acknowledges that Seller has an obligation to continue to market the Property to other potential buyers during and after the Due Diligence Period.

## ARTICLE 4

### Bankruptcy Approval

Section 4.01 Bankruptcy Approval and Bankruptcy Sale Procedures. Notwithstanding anything herein to the contrary, it is a condition precedent to the effectiveness of this Agreement that Seller first obtain an order of the Bankruptcy Court in Seller's Chapter 11 case that authorizes Seller to execute this Agreement and sell the Property to Buyer, or to a Winning Bidder (as defined below), on the terms set forth below ("**Sale Procedures Order**"), pursuant to the provisions of the Bankruptcy Code, 11 U.S.C. § 101 et. seq., including without limitation the Federal Rules of Bankruptcy Procedure and the local rules of the Bankruptcy Court (collectively "**Bankruptcy Code**"). The procedures for so obtaining such a Sale Procedures Order shall be as hereinafter set forth. In the event of any conflict between the terms of this Section 4.01 and any other term, condition or provision of this Agreement, this Section 4.01 shall govern, prevail and control. Seller shall deliver a copy of the Sale Procedures Order to Buyer promptly upon obtaining it. In the event that Seller is unable to obtain the Sales Procedures Order within twenty (20) days after the full execution of this Agreement, Buyer shall be entitled to terminate this Agreement upon notice to Seller, in which case the Earnest Money shall be promptly returned to Buyer.

(a) The procedures for the sale of the Property are described generally in this Section 4.01 and are not meant by the parties to be exclusive. Within three (3) business days of full execution of this Agreement, the Seller shall file with the Bankruptcy Court a motion to approve the terms and conditions of this Agreement and the procedures for the sale by auction of the Property pursuant to the applicable sections of the Bankruptcy Code ("**Motion**"). The Motion shall provide for the entry of the Sale Procedures Order which shall provide for the approval of this Agreement, including the sale of the Property and assumption and assignment of the Leases and other Contracts in accordance with the terms set forth below and the bid procedures and other terms of sale set forth herein. The terms of the Sale Procedures Order shall be those required by the applicable provisions of the Bankruptcy Code. The Motion shall seek approval of, among other things, each of the following terms and conditions:

(i) Upon the execution of the Agreement, Seller shall seek competitive bidding for the Property at an auction to be conducted, after advertisement and notice to all creditors and other prospective purchasers, at the law offices of FrankGecker LLP (the "**Auction**"). Seller shall request that the Bankruptcy Court schedule the Auction for **September 20, 2017** (subject to a continuance as set forth herein, the "**Auction Date**"). At the Auction, the Seller shall conduct such Sale by open bidding, except that nothing shall prohibit the Seller at the Auction from conducting separate or joint discussions with the Buyer, any

Qualified Bidder (as defined below), any creditor, or any of their representatives in private and not on the record of such proceeding. A court reporter shall make a record of the bidding as it occurs.

(ii) For any person wishing to participate in the Auction (each, a “**Potential Bidder**”), at or before 12:00 noon on day prior to the Auction such person must deliver to the Seller (x) such information as the Seller shall request establishing a Potential Bidder’s ability to close the Sale (as defined below) of the Property in a timely manner, including a demonstration of financial wherewithal to close such Sale; (y) a cashier’s or certified check payable to Seller in an amount equal to the Earnest Money; and (z) an executed purchase agreement in substantially the same form as this Agreement setting forth a purchase price at an amount exceeding the Purchase Price by, or in excess of, the Overbid (as defined below), without the due diligence and other provisions of Article 3 above and the provisions of this Article 4, in a form and substance acceptable to the Seller. Any Potential Bidder meeting all of the above requirements that wishes to participate in the Auction must attend the Auction and acknowledge in writing that it is familiar with, understands and accepts the procedures specified in the Sale Procedures Order. Any person qualifying under all of the above standards shall be entitled to bid to purchase the Property and will be hereinafter referred to as a “**Qualified Bidder**.” Any bid made by a Qualified Bidder by the Auction Date, that otherwise complies with the Sale Procedures Order, shall be referred to as a “**Qualified Bid**.” If Buyer is not in default under the terms of this Agreement, Buyer shall be deemed a Qualified Bidder and entitled to participate as a Qualified Bidder at the Auction in the event a Qualified Bid is made by another Qualified Bidder. Seller shall provide Buyer with a copy of the contract included as part of each Qualified Bid received from any Qualified Bidders as such Qualified Bids are received by Seller and, in any event, no later than 4:30 p.m. on the date prior to the Auction. Seller shall endeavor to provide Buyer with any Qualified Bid within one (1) business day of receipt by Seller.

(iii) The procedures specified in the Sale Procedures Order and the date, time and place of the Auction shall be incorporated into a Notice of Auction Sale for the Auction (“**Auction Notice**”) and shall be served pursuant to the order of the Bankruptcy Court and the applicable provisions of the Bankruptcy Code.

(iv) The Seller will grant reasonable access to the Property to any person expressing an interest in viewing the same for the purpose of making a bid thereon, and the Seller will further agree to make environmental, financial and such other information concerning the Property available to any Potential Bidder. The Seller shall require any Potential Bidder to enter into a confidentiality agreement, in form and substance reasonably acceptable to Seller, prior to the granting of access or dissemination of environmental, financial and other information to such Potential Bidder or his/her/its agents or representatives. Buyer, without any representations or warranties whatsoever, shall make available to all Potential Bidders a copy of any and all environmental, inspection, soil and other reports independently obtained by Buyer relating to the physical condition of the Property prior to the Auction. The Buyer Parties shall incur no liability whatsoever for providing such reports to the Potential Bidders.

(v) The Seller and its representatives will offer the Property for sale in conformity with the Motion and the Sale Procedures Order. At the conclusion of the Auction, the Seller and its representatives will engage in an analysis (“**Bid Analysis**”) to determine which Qualified Bid is, in their collective best judgment, the highest or otherwise best

offer(s) (“**Winning Bid**”). A person making a Winning Bid is hereinafter referred to as a “**Winning Bidder**.” The Sale Procedures Order shall provide for a hearing after the Auction at which time Seller shall seek the entry of an order authorizing Seller to consummate the Sale (as defined below) of the property upon the terms of the Winning Bid with the Winning Bidder, and to execute such additional documentation as is reasonably necessary to close such Sale (as defined below) upon the terms of the Winning Bid (the “**Sale Order**”).

(vi) Any opening competitive Qualified Bid at the Auction must exceed the Purchase Price by at least One Million Dollars (\$1,000,000.00) (the “**Overbid**”). Incremental bids after an opening competitive Qualified Bid must exceed the previous high bid by at least \$50,000.00.

(vii) In consideration of the costs that Buyer has incurred and will incur in connection with the negotiation of this Agreement and the contemplated due diligence and the obligation of Seller to maximize the value of the Property through the Auction process, Seller shall pay Buyer a cash break-up fee in the amount of Five Hundred Thousand Dollars (\$500,000.00) (the “**Break-Up Fee**”) as an allowed administrative priority claim, if a Winning Bidder other than Buyer shall acquire the Property under competitive bidding as described herein. The Break-Up Fee shall be paid to Buyer at Closing from the proceeds of the Sale (as defined below) of the Property and the Sale Procedure Order shall provide that it shall be free and clear of all liens, claims, encumbrances, and interests. However, if the Buyer acquires the Property, the Buyer shall not be entitled to payment of the Break-Up Fee. If Buyer acquires the Property, the price set forth in the Winning Bid shall thereafter be and constitute the Purchase Price pursuant to this Agreement.

(viii) The offers of all Qualified Bidders tendered at the Auction shall be irrevocable until the earlier of (i) the entry of the Sale Order or (ii) the withdrawal of the Property for sale by the Seller. Seller shall use its best efforts to have the Sale Order entered within ten days of the Auction. In the event Seller withdraws the Property and Buyer is not then in default of this Agreement, Buyer shall be reimbursed for its actual, out-of-pocket costs incurred relating to the negotiation of this Agreement and any due diligence performed regarding the Property, in an amount no greater than the Break-Up Fee.

(ix) In the event that a Winning Bidder defaults in the performance of its obligation to purchase the Property pursuant to a Winning Bid, that person’s Earnest Money shall be forfeited and shall be immediately transferred to the Seller. Any person making an Earnest Money deposit including the Buyer who does not become the Winning Bidder shall have its Earnest Money deposit returned within two (2) business days after the earlier of (i) the entry of the Sale Order or (ii) the withdrawal of the Property for sale by the Seller.

(x) In the event that a Winning Bidder defaults in the performance of its obligations to purchase the Property pursuant to a Winning Bid, then Seller may treat the next highest bidder for the Property as the Winning Bidder. Consequently, that person’s bid (“**Back-Up Bid**”) will be treated as the Winning Bid, without further notice, hearing or entry of any additional order by the Bankruptcy Court. No bidder other than the Winning Bidder shall be bound in any way once the Seller determines the Winning Bidder and each other bidder shall be entitled to return of its Earnest Money or deposit pursuant to Section



4.01(a)(ii)(y) above on or before the fourteenth (14<sup>th</sup>) day after the completion of the Auction or, if sooner, within two (2) business days after the entry of the Sale Order.

(xi) Any sale pursuant to the Sale Procedures Order and Sale Order (“Sale”) shall authorize and approve the transfer all of Seller’s right, title and interest in and to the Property and assumption and assignment of the Leases and other Contracts to the Winning Bidder and shall be free and clear of all liens, claims, encumbrances, and interests (unless otherwise agreed to by the Winning Bidder and Seller), with any such liens, claims, encumbrances, and interests attaching to the proceeds of the Sale (the “Sale Proceeds”) in the same rank and priority as those liens, claims, encumbrances, and interests enjoyed prior to the Auction and Sale. Any and all liens, claims, encumbrances, and interests shall be paid from the Sale Proceeds pursuant to the Sale Order or the further order of the Bankruptcy Court. The Sale Procedures Order and Sale Order shall expressly so provide.

(xii) Except as otherwise expressly provided in this Agreement, the Sale of the Property shall be on an “as is, where is” basis and without representations or warranties of any kind, nature or description by the Seller, its shareholders, or its agents. By submitting a bid, each Qualified Bidder shall be deemed to have acknowledged and represented that (i) it has had an opportunity to inspect and examine the Property and to conduct any and all due diligence regarding the Property prior to making its bid; (ii) it has relied solely upon its own independent review, investigation and/or inspection of any documents and the Property in making its bid; and (iii) it did not rely upon any written or oral statements, representations, promises, warranties, or guaranties whatsoever, whether express, implied, by operation of law or otherwise, regarding the Property by any person whatsoever, or the completeness of any information provided in connection therewith or the Auction.

(xiii) At the conclusion of the Auction, a Winning Bidder(s) (which may be the Buyer) shall become a “**Purchaser.**”

(xiv) If as of the Auction Date there are no Qualified Bidders other than the Buyer, the Seller shall be obligated to sell the Property pursuant to the terms and conditions of this Agreement without further extension or delay.

(b) Notwithstanding anything to the contrary herein, Seller shall have the one-time right to continue for a period of no more than two (2) business days, the Auction by announcement at the Auction, without being required to serve any additional notices upon any person, including without limitation, the Buyer.

(c) Buyer acknowledges and agrees that Buyer has entered into this Agreement at arms-length and in good faith. It further acknowledges and agrees that the Purchase Price agreed upon in this Agreement has not been controlled by any agreement among any potential bidders and that the Buyer’s offer has not been collusive with any other bidder, whether or not a Qualified Bidder, in any way.

(d) Provided that Buyer is not in default under the terms of this Agreement, Buyer shall be conclusively presumed to be a Qualified Bidder and entitled to participate as a Qualified Bidder at the Auction in the event a Qualified Bid is made by another Qualified Bidder. Seller shall provide Buyer with notice of the material terms of every Qualified Bid received by Seller and

Buyer shall be given the opportunity to timely submit an additional Qualified Bid following Buyer's receipt of such notice.

## ARTICLE 5

### Escrow and Closing Procedures

Section 5.01 Escrow. The sale of the Property shall be consummated on the Closing Date through a deed and money escrow or "New York Style" closing with the Title Company, which escrow shall be opened within five (5) business days after the designation of the Closing Date. The form of the escrow instructions shall be as customarily employed by Title Company, modified to be consistent with the terms and conditions of this Agreement.

Section 5.02 Title. On the Closing Date, provided that Buyer has satisfied all of its material obligations hereunder, the Title Company shall deliver to Buyer an ALTA Owner's Extended Coverage Policy of Title Insurance in the amount of the Purchase Price, showing title in Buyer or its designee, free of liens and encumbrances other than the Permitted Exceptions, Disapproved Exceptions waived by Buyer in writing, and matters arising by or through Buyer or its designee, and with the following endorsements: zoning 3.1, survey, tax parcel, owner's extended coverage, environmental lien, utility facility, contiguity, and location 5.0. Seller shall pay for the costs of the Title Commitment and Title Policy and all endorsements.

#### Section 5.03 Closing Costs.

(a) Seller shall pay:

- (i) State and County transfer taxes; and
- (ii) the costs of furnishing the Title Commitment, Title Policy and the Survey and ½ of the deed and money escrow and "New York Style" closing charges.

(b) Buyer shall pay:

- (i) all costs relating to its due diligence and investigations provided for in Article 3;
- (ii) the costs of all endorsements and ½ of the deed and money escrow and "New York Style" closing charges; and
- (iii) City of Chicago Transfer taxes.

(c) The parties shall share equally all costs and charges of Title Company incurred in establishing, maintaining and closing the deed and money escrow to be established pursuant to Section 5.01 of this Agreement.

Section 5.04 Closing: Time and Place. The consummation of the transaction contemplated by this Agreement shall take place on or before the Closing Date, at the Chicago loop offices of the Title Company.

Section 5.05 Deposits by Seller. Not later than three (3) days prior to the Closing Date, Seller shall execute and acknowledge, as necessary, and deliver to Title Company the following documents for the purpose of consummating the transaction contemplated by this Agreement, all of which shall be in form and substance reasonably acceptable to Buyer and Seller:

- (a) deeds conveying title to the Land from Seller to Buyer or its designee subject to only the Permitted Exceptions, together with any and all other documents required as a pre-condition to the recordation of the deed;
- (b) a bill of sale executed by Seller effectuating sale of the Intangible Property, equipment and the Licenses, in the form annexed hereto as Exhibit C;
- (c) any affidavits or documents customarily required by the Title Company to issue the Title Policy and disburse the proceeds of sale (including, if Seller desires disbursement without a date down endorsement, a gap undertaking);
- (d) an executed FIRPTA affidavit of Seller sufficient in form and substance to relieve Buyer of any and all withholding obligations under Section 1445 of the Internal Revenue Code;
- (e) any and all certificates and other documentation required by the Title Company to evidence the authority of Seller to consummate this transaction;
- (f) a certified copy of the Sale Order;
- (g) the Assignment and Assumption of Leases;
- (i) an updated Rent Roll;
- (j) Letters to the tenants, notifying each tenant of the transfer of the Property from Seller to Buyer and directing each tenant to remit all rental payments and notices to Buyer or its designee (“**Notice to Tenants**”).
- (k) the Estoppels required under Section 2.03(e); and
- (l) such other documents and instruments as may be reasonably required to consummate the transaction contemplated under this Agreement.

If, subsequent to delivery thereof by Seller to Buyer, Seller, or any affiliate of Seller, requires access to any document delivered by Seller to Buyer pursuant to this Agreement in connection with any governmental or quasi-governmental investigation or inquiry or threatened or pending litigation, business transaction or other purpose, Buyer agrees promptly to make the original or a certified copy thereof (if the same satisfies Seller’s needs) (if Seller delivered this original to Buyer) available to Seller until Seller’s need therefor has been satisfied.

Section 5.06 Deposits by Buyer. On the Closing Date, Buyer shall deposit the balance of the Purchase Price, net of prorations and credits, and deliver to Title Company the following for the purpose of consummating the transaction contemplated by this Agreement, all of which shall be in form and substance reasonably acceptable to Buyer and Seller:

- (a) if applicable, executed counterparts of the Assignment (as defined in Section

9.13 below); and

(b) such other documents and instruments as may be required to consummate the transaction contemplated under this Agreement.

Section 5.07 Joint Deposits. At the Closing, the parties shall jointly deposit into the Escrow:

(a) City, County and State transfer declarations;

(b) a closing statement;

(c) an Assignment and Assumption of the Lease and an Assignment and Assumption of all assignable Contracts; and

(d) such other joint documents and instruments as may be required to consummate the transaction contemplated under this Agreement, including a direction to the Title Company to apply the Deposit and all earnings thereon against payment of the Purchase Price.

Section 5.08 Prorations and Credits. To the extent not paid directly by a Tenant under a Lease, if any, Seller shall obtain final readings for all utilities and be responsible for payment of all such utility charges attributable to the period up to and including the Closing Date. In the event that any utility bill is unavailable on the Closing Date, the parties shall equitably adjust such bills following the Closing. Rent and other amounts due from the Tenants under the Leases shall be prorated as of the Closing Date; provided that no rent and other amounts due from Tenants shall be prorated in favor of Seller that is more than ten (10) days past due. At Closing, Seller shall transfer all security deposits of Tenants reflected in the Leases (and any interest earned thereon, if required by the Leases or applicable law) to Buyer or give Buyer a credit against the Purchase Price for the amount of such security deposits and interest. All taxes and assessments, general or special, which are payable prior to Closing, shall be paid by Seller prior to Closing. All real estate taxes and assessments imposed by any governmental body, levied or assessed on or against the Property not yet payable shall be prorated on an accrual basis as of the Closing Date. At the Closing, Buyer shall receive a credit against the Purchase Price equal to all accrued and unpaid taxes and assessments as of the Closing Date for the prorated 2017 real estate taxes. Taxes shall be prorated based on 100% of the most recent ascertainable full tax year (based on the most current assessed valuation of the Property and the most recent published tax rate and assessed equalization factor for the Property).

## ARTICLE 6

### Representations, Disclaimers and Disclosures

Section 6.01 Representations and Warranties of Seller. Except for the express representations and covenants of Seller set forth herein, Buyer shall acquire the Property "As Is," "where is" and "with all faults" and Seller makes no representations or warranties with respect to the Property. Seller hereby represents and warrants that:

(a) Organization and Qualification. Debtors have the requisite power and authority to own its properties business as it is now being conducted.

(b) Authority Relative to this Agreement. Subject to the entry of the Sale Procedures Order and Sale Order, Seller has all necessary power and authority to execute and deliver this Agreement and to perform its obligations hereunder and to consummate the transactions

contemplated hereby. The execution and delivery of this Agreement and the consummation by Seller of the transactions contemplated hereby have been duly and validly authorized by all necessary action and no other proceedings are necessary to authorize this Agreement or to consummate the transactions contemplated hereby other than obtaining the Sales Procedure Order and Sale Order. This Agreement has been duly and validly executed and delivered by Seller and, assuming the due authorization, execution and delivery thereof by the other parties hereto, constitutes the legal, valid and binding obligation of Seller, enforceable against Seller in accordance with its terms.

(c) Consents and Approvals; No Violation. The execution and delivery by Seller of this Agreement, the consummation by Seller of the transactions contemplated hereby and compliance by Seller with the provisions hereof will not (i) conflict with, result in a breach of, or require the consent or approval of any person under any provision of the organizational documents or by-laws of Seller; (ii) require any consent, approval, authorization or permit of, or filing with or notification to, any Governmental Authority except that Seller must obtain the Sales Procedure Order; (iii) conflict with, or, with or without notice or the passage of time or both, result in a breach or violation of any of the terms or provisions of, or constitute a default under, any agreement or instrument to which Seller is a party, or give to any third party any right of termination, cancellation, amendment or acceleration under any agreement or instrument to which Seller is a party or result in the creation of a lien or encumbrance on the Property; or (iv) to Seller's knowledge, violate or conflict with any judgment, order, writ, injunction, decree, statute, law, rule or regulation applicable to Seller or the Property.

(d) Litigation. (i) Except for Seller's pending Chapter 11 bankruptcy cases and matters related thereto, Seller has not received written notice of any action, suit or proceeding before any judicial or quasi-judicial body, by any Governmental Authority or other third party, pending, or to Seller's knowledge, threatened, against or affecting all or any portion of the Property, and (ii) Seller has not received written notice of any attachments, execution proceedings, assignments for the benefit of creditors, insolvency, bankruptcy, reorganization or other proceedings pending, or, to its knowledge, threatened, against Seller. Seller will include in the Property Information copies of all material written pleadings, correspondence and other documents in Seller's control or possession relating to any pending actions, suits and proceedings, that involve or affect the Property.

(e) Government Action. Seller has not received written notice of any pending Condemnation.

(f) Compliance with Law. To Seller's knowledge except as described below, the Property does not violate any applicable existing health, safety or zoning laws, rules, regulations, ordinances or codes including any Environmental Law. Without limitation of the foregoing, Seller has not received any written notice from any insurer that any portion of the Property contains any defects or conditions that could materially adversely affect the insurability of the Property.

(g) Leases. Seller has delivered to Purchaser true and correct copy of the Leases. The Leases are in full force and effect and is enforceable against the tenants under each Lease in accordance with its terms. Except as set forth on the Rent Roll, all rent due (including base rent, common area maintenance payments and tax escrows) under the Leases has been paid and the tenants under the Leases are not in default under the terms of any Lease. Seller is not in default under any Lease.

(h) Representations and Warranties. No representation or warranty made by Seller in this Agreement or in any certificate or other document furnished by Seller pursuant to this Agreement contains any untrue statement of material fact or omits any material fact necessary to make any statement contained herein or therein not misleading.

Section 6.02 Representations and Warranties of Buyer. Buyer hereby makes the following representations and warranties to Seller, which are true and correct as of the date hereof and will remain so as of the Closing Date:

(a) Organization. Buyer is a [limited liability company] duly organized and validly existing and in good standing in accordance with the laws of the State of Illinois and is possessed of all power and authority necessary to enter into and perform its obligations under this Agreement.

(b) Authority Relative to this Agreement. Buyer has all necessary power and authority to execute and deliver this Agreement and to perform its obligations hereunder and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement and the consummation by Buyer of the transactions contemplated hereby have been duly and validly authorized by all necessary action and no other proceedings are necessary to authorize this Agreement or to consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by Buyer and, assuming the due authorization, execution and delivery thereof by the other parties hereto, constitutes the legal, valid and binding obligation of Buyer.

(c) Consents and Approvals; No Violation. The execution and delivery by Buyer of this Agreement, the consummation by Buyer of the transactions contemplated hereby and compliance by Buyer with the provisions hereof will not (i) conflict with, result in a breach of, or require the consent or approval of any person (other than officers, directors or members of Buyer) under any provision of the organizational documents or by-laws of Buyer; (ii) require any consent, approval, authorization or permit of, or filing with or notification to, any Governmental Authority; (iii) conflict with, or, with or without notice or the passage of time or both, result in a breach or violation of any of the terms or provisions of, or constitute a default under, any agreement or instrument to which Buyer is a party, or give to any third party any right of termination, cancellation, amendment or acceleration under any agreement or instrument to which Buyer is a party or result in the creation of a lien or encumbrance on the Property; or (iv) to Buyer's knowledge, violate or conflict with any judgment, order, writ, injunction, decree, statute, law, rule or regulation applicable to Buyer or the Property.

Section 6.03 Disclaimer by Seller; Expiration of Warranties. Other than the representations and warranties expressly set forth in this Agreement, Seller makes no representations or warranties, and shall make no representations or warranties in any conveyance document relating hereto, regarding any aspect of the transaction contemplated by this Agreement, the status of title to the Property, or any liens and/or encumbrances thereon, the entitlements governing development of the Property, any other matter affecting the business, legal status and economic viability of the Property, the condition or value of the Property, or the suitability of the Property for acquisition, investment or any other disposition by Buyer. Buyer hereby agrees, except for the representations and warranties of Seller contained herein, that it has not relied on any representations, warranties, or statements made by Seller or any of its officers, directors, employees, agents or attorneys regarding the Property or any aspect thereof in determining whether to enter into this transaction. Buyer further agrees that any and all representations and warranties of Seller set forth in this Agreement shall expire upon, and shall not survive, Closing.

## ARTICLE 7

### COVENANTS

Section 7.01 Seller's Covenants. Seller covenants and agrees with Buyer that from and after the date hereof up to Closing or earlier termination of this Agreement, Seller shall will, at its sole cost and expense:

(a) refrain from transferring any of the Property or creating on the Property any new leases, licenses, easements, liens, mortgages, encumbrances or other interests which will survive Closing hereunder;

(b) not, without obtaining the prior written consent of Buyer, which consent will not be unreasonably withheld, extend, renew, terminate, replace or amend any Contract or enter into any new contracts or agreements with respect to the Property which will survive Closing;

(c) deliver or cause to be delivered to Buyer, promptly upon receipt thereof by Seller, copies of all notices or other correspondence received or given by Seller after the date hereof alleging any violation of any applicable law, rule, regulation or code and report to Buyer, from time to time, the status of any alleged violation or default;

(d) make all reasonable good faith efforts to comply with all notices of violation or alleged violation by the Seller relating to the Property of all state, county, city or municipal laws, ordinances, codes, regulations, orders or requirements of departments of housing, buildings, fire, labor, health, or departments of other Governmental Authorities having jurisdiction over or affecting the Property or the ownership, use, enjoyment, development, operation and management thereof; provided, however that if such compliance requires the expenditure of money (outside of the ordinary course of ownership of the Property), Seller may elect, in its sole and absolute discretion, to not comply with such notice in which event Seller shall promptly notify Buyer of such violations and Seller's decision to not comply with the notice thereof. If Seller so notifies Buyer of its election to not comply, Buyer may terminate this Agreement within five (5) business days of receipt of such notice by giving written notice to Seller, in which event Buyer shall be entitled to return of the Deposit, together with accrued interest thereon, and Seller and Buyer shall jointly instruct Escrowee to so refund to Buyer the Deposit and accrued interest thereon, if any, and neither Buyer nor Seller shall have any further obligation or liability under this Agreement;

(e) not, without the prior written consent of Buyer, take any action or file or proceed with any matter which could in any material respect affect the zoning, land use or entitlements applicable to the Property.

Section 7.02 Condemnation; Casualty. In the event that prior to the Closing Date, either (i) written notice shall be received by Seller of any intent, request or action (whether or not judicial in nature), suit or proceeding to condemn or take all or any part of the Property under the power of eminent domain, or whether by judicial process or by transaction in lieu thereof (a "Condemnation"), or (ii) all or any portion of the Property shall be damaged by casualty (a "Casualty") (including, without limitation, fire, flood and acts of terrorism), Seller shall promptly send written notice of such Condemnation or Casualty to Buyer and Buyer shall have the right to terminate its obligations under this Agreement by notice in writing to Seller given within ten (10) days after receiving Seller's notice. Notwithstanding the provisions of the preceding sentence, Buyer shall not have the right to terminate this Agreement if the

damage to the Property caused by the Casualty would, in the reasonable estimation of Seller and Buyer, cost less than \$50,000 to repair and such Casualty does not allow the Tenant to terminate or modify the Lease. In the event that Buyer shall not elect to, or is not entitled to, terminate its obligations under this Agreement pursuant to this Section 7.02, then (a) in the case of a Condemnation, Buyer shall receive an absolute assignment on the Closing Date of the entire proceeds of such Condemnation, the Purchase Price shall be the full amount provided in Article 2 and Seller shall convey the Property subject to the Condemnation or, if such Condemnation shall have been completed, Buyer shall receive a credit against the Purchase Price in the amount of the condemnation award and Seller shall convey the Property to Buyer less that part taken in such proceeding, as the case may be; or (b) in the case of a Casualty, Buyer shall receive a credit against the Purchase Price for the amount reasonably estimated to repair the damage caused by such Casualty or Buyer shall receive an assignment of the insurance proceeds at Closing.

## ARTICLE 8

### Defaults; Remedies; Indemnifications

**Section 8.01 DEFAULT BY BUYER. IF THIS AGREEMENT IS NOT TERMINATED ON OR BEFORE THE EXPIRATION OF THE DUE DILIGENCE PERIOD OR AS A RESULT OF THE RIGHTS OF BUYER TO TERMINATE THIS AGREEMENT AS EXPRESSLY SET FORTH HEREIN, AND IN THE EVENT OF A DEFAULT OF THE BUYER UNDER THE PROVISIONS OF THIS AGREEMENT FOLLOWING THE DUE DILIGENCE PERIOD, WHICH CONTINUES FOR MORE THAN FIVE (5) BUSINESS DAYS AFTER WRITTEN NOTICE TO BUYER THEREOF, SELLER SHALL HAVE THE RIGHT TO TERMINATE THIS AGREEMENT AND RECOVER THE EARNEST MONEY AND ALL EARNINGS THEREON AS ITS SOLE REMEDY HEREUNDER AND AS LIQUIDATED DAMAGES FOR BUYER'S DEFAULT.**

**Section 8.02 SELLER'S DEFAULT. IF THE TRANSACTION CONTEMPLATED BY THIS AGREEMENT IS NOT COMPLETED BECAUSE OF A DEFAULT OF THE SELLER UNDER THE PROVISIONS OF THIS AGREEMENT ON OR PRIOR TO CLOSING, WHICH CONTINUES FOR MORE THAN FIVE (5) BUSINESS DAYS AFTER WRITTEN NOTICE TO SELLER THEREOF, BUYER SHALL BE ENTITLED TO EITHER (1) SEEK SPECIFIC PERFORMANCE OR (2) HAVE THE RIGHT TO TERMINATE THIS AGREEMENT (TOGETHER WITH A RETURN OF THE EARNEST MONEY AND ALL EARNINGS THEREON) AND RECOVER FROM SELLER BUYER'S ACTUAL THIRD-PARTY DOCUMENTED OUT-OF-POCKET COSTS INCURRED IN CONNECTION WITH ENTERING INTO THIS AGREEMENT, MAKING AND CAUSING TO BE MADE EVALUATIONS AND INVESTIGATIONS OF THE PROPERTY.**

**Section 8.03 Brokerage Commission.** Buyer and Seller each represents and warrants to the other that neither has employed any real estate agent, broker, finder or adviser as its adviser or broker in connection with this transaction other than Broker (who shall be paid solely by Seller). Seller agrees to and does hereby indemnify, defend and forever hold Buyer harmless from all loss, damage, cost, or expense (including reasonable attorney's fees) that Buyer may suffer as a result of any claim or action brought by any agent, broker, finder or adviser acting or allegedly acting on behalf of Seller in connection with this transaction. Buyer agrees to and does hereby indemnify, defend and hold forever Seller harmless from all loss, damage, cost or expense (including reasonable attorneys' fees) that Seller may suffer as a result of any claim or action brought by any agent, broker, finder or adviser acting or allegedly acting on behalf of Buyer in connection with this transaction.



## ARTICLE 9

### Miscellaneous

Section 9.01 Notices. Any notice, demand or document any party is required or may desire to give or deliver to or make upon any other party shall be in writing and delivered in person, given or made by commercial delivery service (such as Federal Express) or sent by electronic mail, addressed to such party at its address or email address (with copy sent by U.S. mail or overnight courier), as the case may be set forth below, subject to the right of any party to designate a different address or email address by notice similarly given. Any notice, demand or document served shall be deemed delivered upon receipt. The addresses and emails for Seller and Buyer are:

For Seller:	Frances Gecker FrankGecker LLP 325 North LaSalle Street, Suite 625 Chicago, IL 60654 Email: <a href="mailto:FGecker@fgllp.com">FGecker@fgllp.com</a>
For Buyer:	Maria Magnus 230 E. Ohio, Suite 400 Chicago, Illinois 60611 Email: <a href="mailto:mariamagnus@sbcglobal.net">mariamagnus@sbcglobal.net</a>
With copies to:	Robert W. Glantz Shaw Fishman Glantz & Towbin LLC 321 N. Clark Street, Suite 800 Chicago, IL 60654 Email: <a href="mailto:rglantz@shawfishman.com">rglantz@shawfishman.com</a>

Section 9.02 Other Documents. The parties hereto shall cooperate in good faith to accomplish the objectives of this Agreement and to that end shall execute and deliver from time to time such other and further instruments and documents as may be necessary and convenient to the fulfillment of those purposes.

Section 9.03 Effect of Invalidation. If any one or more of the provisions of this Agreement is for any reason held to be invalid, illegal or unenforceable in any respect by any court of competent jurisdiction, such invalidity, illegality and unenforceability shall not affect the validity and enforceability of the other provisions hereof unless removal of such provision undermines or abrogates the benefits to either party contemplated by this Agreement, and this Agreement shall be construed as though such invalid, illegal or unenforceable provision had never been contained herein. Notwithstanding the foregoing, Seller acknowledges and agrees that the terms of the Sale Procedures Order and the timeframes and Buyer's associated rights of termination prescribed in this Agreement constitute a material and seminal inducement to Buyer entering into this Agreement and, if the Bankruptcy Court finds that any such provisions are invalid, illegal or unenforceable in any respect, Buyer shall have the right to terminate this Agreement by giving to Seller notice on or before the 5th business day following receipt of notice of such finding.

Section 9.04 [Intentionally Deleted]

Section 9.05 Entire Agreement. This Agreement contains the entire agreement between the parties hereto with respect to the matters set forth herein, supersedes all prior agreements, understandings

and representations by or between the parties with respect thereto, and may not be modified, amended or terminated except by written agreement signed by the party against whom enforcement is sought.

Section 9.06 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall for all purposes be deemed to be an original and all of which together shall constitute one and the same agreement of the parties. Any signature page to any counterpart may be detached from such counterpart without impairing the legal effect of the signatures thereon and thereafter attached to another counterpart identical thereto, except having attached to it any such additional signature pages. Facsimile or electronic signatures shall have the same force and effect as an original.

Section 9.07 Captions. Captions of the Articles and Sections of this Agreement are for convenience only and shall not be considered or referred to in resolving questions of interpretation or construction.

Section 9.08 Attorneys' Fees. Should either or both of the parties hereto institute any action or proceeding in any court to enforce any provision(s) of this Agreement, the prevailing party shall be entitled to receive from the losing party reasonable attorneys' and expert witness fees and costs incurred in such action or proceeding, and in any appeals, in such amount as the court determines is reasonable.

Section 9.09 Governing Law. This Agreement and the transaction contemplated herein shall be governed by and construed under the laws of the State of Illinois.

Section 9.10 Time of the Essence. Time is of the essence of all matters set forth in this Agreement.

Section 9.11 No Waiver. No waiver by any party of any breach by any other party of any provisions of this Agreement shall be effective unless in writing signed by the waiving party. No such waiver shall be deemed or construed to be a waiver of any subsequent or continuing breach of the same or any other provisions of this Agreement; nor shall any forbearance by any party from the exercise of a remedy for any such breach be deemed or construed to be a waiver by such party of any of its rights or remedies with respect to such breach.

Section 9.12 Number and Gender. Masculine terms used in this Agreement shall include the feminine and vice versa; neuter terms shall include both masculine and feminine; and the singular shall include the plural and vice versa, whenever the context shall require it.

Section 9.13 Assignment. Except for assignments by Buyer to parties controlled by or affiliated with Buyer (an "**Assignment**"), neither Seller nor Buyer shall have the right to assign this Agreement without the consent of the other party.

Section 9.14 Calculation of Time. The time in which any act required or permitted by this Agreement is to be performed shall be determined by excluding the day upon which the event occurs from whence the time commences.

Section 9.15 Relationship. Nothing contained in this Agreement shall be deemed or construed by the parties or by any third person to create a relationship of principal and agent or partnership or a joint venture between Seller and Buyer or between either or both of them and any third party.

Section 9.16 Escrow Cancellation Charges. If the Escrow established pursuant to Section 5.01 of this Agreement fails to close by reason of Seller's default hereunder, Seller shall pay all escrow cancellation charges. If the escrow fails to close by reason of Buyer's default hereunder, Buyer shall pay

for all escrow cancellation charges. If the escrow fails to close for any reason other than the foregoing, the parties shall share equally the escrow cancellation charges.

Section 9.17 Representation by Attorney. Each party acknowledges that he or it has been represented by experienced and knowledgeable legal counsel in negotiating the form and contents of this Agreement.

Section 9.18 Recitals Incorporated by Reference. The Recitals of this Agreement are incorporated herein by this reference and made a part of this Agreement.

SIGNATURE PAGE FOLLOWS.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

**SELLER**

**FRANCES GECKER**, not individually, but solely in her capacity as the chapter 11 trustee of the bankruptcy estates of Erie Street Investors, LLC; LaSalle Investors, LLC; WSC Parking Fund I; George Street Investors, LLC; and Sheffield Avenue Investors, LLC,

\_\_\_\_\_

**BUYER**

**STONEBRIDGE REAL ESTATE CO., LLC**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

# EXHIBIT A

**EXHIBIT A**

**LEGAL DESCRIPTIONS OF THE LAND**

**Property Address: 2954 North Sheffield Avenue, Chicago, IL 60657**

Legal Description:

LOTS 1 AND 2 IN SICKEL AND KAGEBEIN'S SUBDIVISION OF THE NORTH ½ OF BLOCK 1 IN THE SUBDIVISION OF OUTLOT 6 IN CANAL TRUSTEES' SUBDIVISION OF THE EAST ½ OF SECTION 29, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

P.I.N.: 14-29-216-030

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**Property Address: 343 W. Erie Street, Chicago, Illinois 60654**

Parcel 1:

LOT 1 AND THE EAST ½ OF THE LOT 2 IN CHICAGO TITLE AND TRUST COMPANY TRUSTEES SUBDIVISION OF A PORTION OF BLOCK 11 IN BUTLER, WRIGHT AND WEBSTERS ADDITION TO CHICAGO AND A PORTION OF ASSESSORS DIVISION OF THAT PART SOUTH OF ERIE STREET AND EAST OF THE CHICAGO RIVER OF THE EAST ½ OF THE NORTHWEST ¼ OF SECTION 9, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Parcel 2:

NON-EXCLUSIVE PERMANENT EASEMENT IN AND UPON THE WEST ½ OF LOT 2 IN SAID CHICAGO TITLE AND TRUST COMPANY TRUSTEES SUBDIVISION FOR USE AS A PRIVATE ALLEY AND FOR INGRESS AND THE PASSAGE OF LIGHT AND AIR BOTH CREATED BY THE DEED FROM CHICAGO TITLE AND TRUST COMPANY, A CORPORATION OF ILLINOIS, AS TRUSTEE TO ROBERT M. FAIR, DATED MARCH 24, 1911 AND RECORDED MARCH 27, 1911, IN BOOK 11360 OF RECORDS, PAGE 311, AS DOCUMENT 4729608, ALL IN COOK COUNTY, ILLINOIS.

P.I.N.: 17-09-221-005-0000 (1 of 2)  
17-09-221-006-0000 (2 of 2)

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**Property Address 2852-2856 Southport Avenue, and  
1411 West George Street, Chicago, IL 60657**

Legal Description:

LOTS 1, 2 AND 3 IN MCCLELLAND'S RESUBDIVISION OF BLOCK 6 IN THE SUBDIVISION BY WILLIAM LILL AND HEIRS OF MICHAEL DIVERSEY OF THE SOUTHWESTERLY ½ OF THE NORTHWEST ¼ OF SECTION 29, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

P.I.N.: 14-29-125-037-0000  
(Affects Lots 1 and 2)

14-29-125-038-0000  
(Affects Lot 3)

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**Property Address: 747 North LaSalle Drive, Chicago, Illinois 60654**

Legal Description:

LOTS 1, 2, 3 AND 4 (EXCEPT PART OF SAID LOTS LYING WEST OF A LINE 14 FEET EAST OF AND PARALLEL TO THE EAST LINE OF LASALLE STREET CONVEYED TO CITY FOR WIDENING) IN THE SUBDIVISION OF LOTS 4, 5 AND 6 AND THE SOUTH ½ OF LOT 3 IN BLOCK 35 IN WOLCOTTS ADDITION TO CHICAGO IN THE EAST ½ OF THE NORTHEAST ¼ OF SECTION 9, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

P.I.N.: 17-09-204-002-0000 (1 of 2)  
17-09-204-003-0000 (2 of 2)

**Property Address:**

Legal Description:

LOTS 3, 4 AND 9 (EXCEPT THE EAST 20.00 FEET OF SAID LOTS TAKEN FOR  
WIDENING CLARK STREET) ALL IN HUBBARD'S SUBDIVISION OF BLOCK 112 IN  
SCHOOL SECTION ADDITION TO CHICAGO IN SECTION 16, TOWNSHIP 39 NORTH,  
RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT  
THEREOF RECORDED JULY 3, 1885 IN BOOK "T" OF MAPS, PAGE 31, IN COOK  
COUNTY, ILLINOIS.

P.I.N.: 17-16-404-017-0000 (1 of 2)

17-16-404-018-0000 (2 of 2)



# **EXHIBIT B**

<b>343 W. Erie Street</b>	
<b>TENANT</b>	<b>LEASE EXPIRATION</b>
100 W - Doll in a Dash, Inc.	4/30/2021
200 - Brightspeed Solutions	11/30/2022
210 - VACANT	N/A
220 - KTGy Group INC - Tricia Esser	12/31/2018
230 - Gameplan Branding Group	1/6/2019
240 - Chicago Medical Exchange	6/30/2019
300 - Alchemy Limited LLC/29th Street Capital	9/30/2020
310 - Breather Products Us, Inc.	6/21/2019
320 - EVGC LLC	12/14/2020
325 - York Solutions	11/30/2021
330 - Legum & Norman, Midwest LLC (ASSOCIA)	5/31/2019
410 - VIA Technik, LLC/Vinesprout LLC	8/31/2018
430 - Adeptia, Inc.	2/28/2021
440 - VACANT	N/A
450 - Cotton Candy Global Marketing Inc	11/30/2017
500 - UX Factory LLC	10/31/2018
510 - Swidler Spanola And Company LLC	6/30/2020
520 - MKTG, Inc	8/1/2019
600 - DEVBridge Group, LLC	8/31/2020
LL - NOCO LLC DBA UFC Gym	10/21/2027
MME - Onion Erie Enterprises DBA Brunch	5/31/2027
MMW - VACANT	N/A

<b>747 N. LaSalle Street</b>	
<b>TENANT</b>	<b>LEASE EXPIRATION</b>
200 - Embassy Studio Corporation	6/30/2021
210 - Boderdoo.com	10/31/2021
220 - Inkling Incorporated - Cultivate Labs	8/31/2017
300 - Massage Therapy Centers of America/Healing Matters	3/31/2020
400 - VACANT	1/31/2022
450 - Greenstone Companys LLC	1/31/2022
500 - Adaptly Inc	6/15/2021
500A - Arsova LLC	6/15/2021

<b>600 South Clark</b>	
<b>TENANT</b>	<b>LEASE EXPIRATION</b>
Project Outdoor LLC	9/4/2020
Metro Fuel, LLC/Outfront Media LLC	10/31/2014

<b>2852-56 Southport Ave</b>	
<b>TENANT</b>	<b>LEASE EXPIRATION</b>
2852-2856- R DIAG/404 Wine Bar	12/31/2028
2852 - 2F VACANT	5/31/2017
2852-2 Victor Bernardi and Shruti Shah	7/31/2018
2852-2R VACANT	4/30/2017
2854-2 - VACANT	6/30/2017
2856-2 - Matthew Hart and John Dillion	7/31/2017
2856-3 - John Hayes and Steven Soeka	5/31/2017

<b>2954-2958 North Sheffield Ave</b>	
<b>TENANT</b>	<b>LEASE EXPIRATION</b>
2954 Sheffield - DMK Burger Bar	12/31/2028
2956 Sheffield - Fish Bar	7/15/2020
1007 Wellington - Modern Dental	11/30/2020
Wellington Unit 220 - Grainne McKeown	5/31/2027
Wellington Unit 200 - URO Partners	4/30/2020
Wellington Unit 210/230 - Dr. David Rakofsky, Wellington Counseling Group	4/30/2020
Wellington Unit 210/230 - Dr. David Rakofsky, Wellington Counseling Group	4/30/2020

<b>1411 West George Street</b>	
<b>TENANT</b>	<b>LEASE EXPIRATION</b>
1 - Vacant	5/31/2017
2 - Kevin and Sarah Donnelly	8/31/2017

# EXHIBIT C

EXHIBIT C

BILL OF SALE

FRANCES GECKER, not individually, but solely in her capacity as the chapter 11 trustee of the bankruptcy estates of Erie Street Investors, LLC; LaSalle Investors, LLC; WSC Parking Fund I; George Street Investors, LLC; and Sheffield Avenue Investors, LLC, (“Seller”), in consideration of the sum of Ten and No/100 Dollars (\$10.00), in hand paid, the receipt and sufficiency of which hereby are acknowledged, hereby sells, assigns, transfers, and sets over unto Stonebridge Real Estate Co., LLC, a(n) Illinois limited liability company (“Buyer”), pursuant to that certain Agreement for Purchase and Sale of Real Property between Seller and Buyer dated August 24, 2017 (the “Agreement”), all the Intangible Property (as defined in the Agreement), including, without limitation, the items listed on Exhibit 1 attached hereto. Seller represents and warrants that it is the owner of the Intangible Property, free and clear of all liens, claims and encumbrances. Seller does not make any representation or warranty, express or implied, with respect to merchantability, condition, quality, durability, design, operation, fitness for use, or suitability for any particular purpose.

IN WITNESS WHEREOF, and intending to be legally bound hereby, Seller has executed and delivered this Bill of Sale as of the date set forth below.

**SELLER**

FRANCES GECKER, not individually, but solely in her capacity as the chapter 11 trustee of the bankruptcy estates of Erie Street Investors, LLC; LaSalle Investors, LLC; WSC Parking Fund I; George Street Investors, LLC; and Sheffield Avenue Investors, LLC,

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EXHIBIT 1 TO BILL OF SALE

LIST OF SPECIFIC INTANGIBLE PROPERTY