

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

-----X	
In re	:
	:
NIGEL LAUGHTON LLC,	:
	:
Debtor.	:
-----X	

Chapter 11
Case No. 25-40082 (ESS)

**ORDER PURSUANT TO 11 U.S.C. §§ 105(a) AND 363
AND FED. R. BANKR. P. 2002, 4001, 6004, AND 9014: (1) APPROVING BIDDING
PROCEDURES, (2) AUTHORIZING THE TRUSTEE TO CONDUCT AN AUCTION, (3)
AUTHORIZING AND SCHEDULING A SALE HEARING,
AND (4) APPROVING THE FORM AND MANNER OF NOTICES**

Upon the motion, dated September 17, 2025 (the “**Motion**”)¹, of Jonathan L. Flaxer, solely in his capacity as chapter 11 trustee (the “**Trustee**”) for the estate (the “**Estate**”) of the above captioned debtor (the “**Debtor**”), by his counsel, Golenbock Eiseman Assor Bell & Peskoe LLP (“**GEABP**”), for, among other things, entry of an Order (the “**Sale Procedures Order**”) (1) approving Bidding Procedures (as defined herein) in connection with an auction (the “**Auction**”) of the properties located at 1738 Nostrand Avenue, Brooklyn, New York 11226 and 1740-1746 Nostrand Avenue, Brooklyn, New York 11226 (collectively, the “**Properties**”), (2) authorizing the Trustee to conduct the Auction in accordance with the Sale Procedures Order, (3) authorizing a hearing following the conclusion of the Auction to authorize and approve the sale of the Property to the bidder submitting the highest and best bid which is accepted by the Trustee (the “**Sale**”); and (4) approving the form and manner of notices, all pursuant to 11 U.S.C. §§ 105(a) and 363, and Fed. R. Bankr. P. 2002, 4001, 6004 and 9014; and a hearing having been held on October 3, 2025 (“**Sale Procedures Hearing**”) at which the Debtor, the Trustee, Savage Entertainment, Palermo Lender, LLC, and Kendra Place Inc. appeared and were heard; and it

¹ Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Motion.

appearing that adequate and sufficient notice of the Motion, the Auction and the Hearing Date having been given to all parties in interest in this case; and all interested parties having been afforded an opportunity to be heard with respect to the Motion and the Sale Procedures Order, and the Court having reviewed and considered the Motion; and after due deliberation and sufficient cause appearing therefor;

NOW THEREFORE, THE COURT HEREBY FINDS THAT:

- A. The Court has jurisdiction over this matter under 28 U.S.C. §§ 157(a) and 1334. Venue in this district is proper under 28 U.S.C. §§ 1408 and 1409. This is a core proceeding under 28 U.S.C. § 157(b)(2).
- B. Proper, timely, adequate and sufficient notice of the Motion, the Auction and the Hearing Date has been provided in accordance with the Bankruptcy Code and Bankruptcy Rules. Such notice was good and sufficient under the circumstances, and no other or further notice of the Motion is or shall be required, except as shall be set forth in this Order.
- C. A reasonable opportunity to object or be heard with respect to the Motion and the relief requested therein, and as granted pursuant to this Order, has been afforded to all interested parties and entities, including:
 - (i) all individuals/entities known to have expressed an interest in purchasing the Property; (ii) all entities who have filed a notice of appearance in this case; (iii) the United States Trustee; (iv) the Debtor's counsel; (v) the Debtor's scheduled creditors; and (vi) the Debtor's creditors that filed proofs of claim (the "**Service Parties**").

- D. The Trustee's proposed notice procedures are good, appropriate, adequate and sufficient, and are reasonably calculated to provide all interested parties with timely and proper notice of the form of the Purchase Agreement, the Auction, the Bidding Procedures, and the form and manner of notices regarding the foregoing, and no other or further notice is necessary.
- E. The Trustee's proposed procedures for providing notice of the Auction is appropriate and reasonably calculated to provide all interested parties with timely and proper notice of the Sale, Bidding Procedures, Auction and the Hearing Date.
- F. The Trustee has articulated good and sufficient reasons for approving the Bid Protections for any potential Stalking Horse Bidder as any such Stalking Horse Bidder will likely expend considerable time and expense in pursuing the purchase of one or more of the Properties, and will have been engaged in arm's length and good faith negotiations regarding any such bid by the Stalking Horse Bidder.
- G. In connection with this bankruptcy case, the Trustee has determined, in his business judgment that the Sale of the Properties, as set forth herein and in the Motion, is in the best interest of the Debtor, its estate, and its creditors.
- H. The Bidding Procedures are fair, reasonable and appropriate, and are designed to maximize the recovery on the Sale of the Property.

Accordingly, having made the findings as set forth above, this Court does hereby

ORDER, ADJUDGE and DECREE, as follows:

1. ~~The Motion is GRANTED, to the extent set forth herein, and all objection to the Motion are overruled.~~
2. The Bidding Procedures attached hereto as Exhibit A are hereby authorized and approved.
3. Service of the notices described herein on the Service Parties constitutes proper, timely, adequate and sufficient notice thereof and satisfy the requirements of the Bankruptcy Code and Bankruptcy Rules.
4. Objections, if any, to the sale of the Properties shall: (i) be in writing; (ii) specify with particularity the basis of the objection; and (iii) be filed with the Court and simultaneously served on the following parties (the **“Objection Parties”**): (a) counsel to the Trustee, Golenbock Eiseman Assor Bell & Peskoe LLP, 711 Third Avenue, New York, New York 10017 (Attn.: Michael S. Weinstein, Esq.), (b) the Office of the United States Trustee for the Eastern District of New York, U.S. Alexander Hamilton Custom House, One Bowling Green, Room 510, New York, New York 10004 (Attn: Nazar Khodorovsky, Esq.), (c) counsel to the Palermo Lender Group, Brett Silverman, Esq., 4 Terry Terrace, Livingston, NJ 07039, (d) counsel to the Luna Lender, Pick & Zabicki LLP, 369 Lexington Avenue, 12th Floor, New York, New York 10017 (Attn: Douglas J. Pick, Esq.), and (e) all other parties entitled to service in this chapter 11 case, so that is actually received by each of the Objection Parties by 5:00 p.m. (prevailing Eastern Time) on

November 26, 2025 (the “**Objection Deadline**”), and service to the above parties may be by email.

5. The deadline to submit bids for one or all of the Properties shall be **November 12, 2025, at 4:00 p.m. (prevailing Eastern Time)**.
6. In the event that the Trustee received more than one Qualified Bid, the Trustee shall conduct an auction beginning at **10:00 a.m. (prevailing Eastern Time) on November 18, 2025**. The Auction will take place in person at Golenbock Eiseman Assor Bell & Peskoe LLP, 711 Third Avenue, 17th Floor, New York, New York 10017.
7. The Court shall conduct a hearing to approve the Sale and consider any unresolved objection to the Sale on **December 3, 2025, at 10:30 a.m.** (prevailing Eastern Time) or at such other time ordered by the Court.
8. The Trustee is authorized to entering into an agreement with a Stalking Horse Bidder in accordance with the Bidding Procedures, and in connection therewith, grant Bid Protections to any such Stalking Horse Bidder. The Estate shall be authorized to pay any such Bid Protections from the proceeds of any sale of the Properties, if applicable.
9. The Trustee is authorized and empowered to take such steps and do such other things as may be necessary to implement and effect the terms of this Sale Procedures Order.
10. The Court ~~**may**~~ **shall** retain jurisdiction over any matters related to or arising from the implementation of this Sale Procedures Order.

11. Notwithstanding the possible applicability of Fed. R. Bankr. P. 6004(h), 7062, 9014 or otherwise, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry, and no automatic stay of execution shall apply to this Order.

Dated: Brooklyn, New York
October 10, 2025



A handwritten signature in black ink, reading "Elizabeth S. Stong". The signature is fluid and cursive, with a long horizontal stroke at the end.

Elizabeth S. Stong
United States Bankruptcy Judge

EXHIBIT A

Proposed Bidding Procedures

1. Definitions:

- A. AUCTION: Seller, through the services of Advisor, will conduct (pursuant to the terms and conditions of these Bidding Procedures) an auction of the Properties on the Auction Date (or on an adjourned date). The Seller reserves the right to use any auction format that it deems in the best interests.
- B. AUCTION DATE: November 18, 2025 at 10:00 am EST.
- C. AUCTION VENUE: Golenbock Eiseman Assor Bell & Peskoe LLP, 711 Third Avenue, 17th Floor, New York, New York 10017
- D. BACK-UP BID: The Qualified Bid selected by Seller at the conclusion of the Auction as the second best Bid for one or both of the Properties.
- E. BACK-UP BIDDER: The Bidder who submitted the Back-up Bid. The Back-up Bidder's Deposit is held pursuant to the provisions below and, in the event that the Successful Bidder fails to close, the Back-up Bidder is obligated to close.
- F. BID: A binding offer to purchase one or both of the Properties. All Bids are irrevocable pursuant to the terms set forth below.
- G. BIDDER: A person or entity that submits a Bid.
- H. BID DEADLINE: November 12, 2025.
- I. ADVISOR: Keen-Summit Capital Partners LLC and B6 Real Estate Advisors LLC. Information about the Properties and about the Auction are available from Advisor. Advisor can be contacted at:

Keen-Summit Capital Partners LLC
15th Floor, 3 Columbus Circle
New York, NY 10019
ATTN: Harold Bordwin
Telephone: (646) 381-9201
Email: hbordwin@Keen-Summit.com

Or

B6 Real Estate Advisors
355 Lexington Avenue, #302
New York, NY 10017
ATTN: Paul J. Massey Jr.
Telephone: (212) 473-2600
Email: pmassey@b6realestate.com

With a copy to:

Keen-Summit Capital Partners LLC
1 Huntington Quadrangle, Suite 2C04
Melville, NY 11747
ATTN: Matt Bordwin
Telephone: (646) 381-9202
Email: mbordwin@keen-summit.com

- J. COURT: United States Bankruptcy Court for the Eastern District of New York.
- K. DATA: Information provided by Seller to Bidders or prospective Bidders subject to the conditions and limitations set forth in these Bidding Procedures. This information may include title work, surveys, and other data about the Properties.
- L. DEPOSIT: Ten (10%) Percent of the proposed purchase price.
- M. IRREVOCABILITY PERIOD: That period of time which commences upon each Bidder's submission of a Bid and which concludes at the earlier of (i) the Closing, or (ii) 45 days after the conclusion of the Auction (as adjourned), but in no event later than December 31, 2025.
- N. LUNA LENDER: 2323 Luna Group Inc.
- O. LUNA PROPERTY: 1738 Nostrand Avenue, Brooklyn, NY, as further defined in the Real Estate Purchase Contract.
- P. OFFER & BIDDER REGISTRATION FORM: The form of document attached hereto as **Exhibit 1**.
- Q. PALERMO PROPERTY: 1740-1746 Nostrand Avenue, Brooklyn, NY, as further defined in the Real Estate Purchase Contract.
- R. PALERMO LENDER: Collectively, Palermo Lender, LLC, 1060 Brickell LLC, Embert Investments LLC, BM2 Investment I LLC, Makaff LLC, Somalumi Investments, and Julian Sruber.
- S. PROPERTIES: Collectively, the Luna Property and the Palermo Property.
- T. QUALIFIED BID: A Bid that satisfies the requirements set forth below.
- U. QUALIFIED BIDDER: A Bidder who submits a Qualified Bid or submits a contract otherwise acceptable to the Seller.
- V. REAL ESTATE PURCHASE CONTRACT: The form of agreement attached hereto as **Exhibit 2**.
- W. REQUIRED BID DOCUMENTS: The Required Bid Documents are those documents that a Bidder is required to submit by the Bid Deadline, as further described below.
- X. SALE HEARING: A hearing in the Court on a date to be fixed by the Court at which the Seller will seek an Order approving the sale.
- Y. SALE ORDER: An Order of the Court authorizing a sale of the Properties to the Successful Bidder(s).

- Z. SELLER: Jonathan L. Flaxer, solely in his capacity as chapter 11 trustee of the bankruptcy estate of Nigel Laughton LLC (the “Debtor”).
 - AA. SELLER’S COUNSEL: Golenbock Eiseman Assor Bell & Peskoe LLP
 - BB. SUCCESSFUL BID: At the conclusion of the Auction, the Qualified Bid selected by the Seller as the winning bid or bids for one of or both of the Properties, based upon price, financial condition, experience, and such other factors as the Seller may deem relevant, as further detailed below.
 - CC. SUCCESSFUL BIDDER: The Bidders who submitted the Successful Bid or Bids.
2. STEP ONE: Bid Deadline: November 12, 2025
- A. The Seller seeks to solicit bids (“Bids”) for the sale of one or both of the Properties. In order to solicit the highest and best offers, the Seller is conducting the Auction herein described. The first step is the submission of binding Bids in the form of the “Required Bid Documents” on or before the Bid Deadline. Seller will review the Required Bid Documents and based upon that review, Seller will identify those Bidders who have submitted “Qualified Bids”. Only those Bidders who have submitted Qualified Bids, if any, will be authorized to participate in the Auction.
 - B. You must submit the Required Bid Documents (including the “Deposit”) so as to be actually received by no later than 4:00 P.M., EST, on November 12, 2025 (the “Bid Deadline”). The original set of the Required Bid Documents (including the Deposit) must be submitted to the Seller’s Counsel. A complete copy of the Required Bid Documents must also be submitted to both Advisor and to Seller’s Counsel.
 - C. Due diligence information can be obtained by contacting Advisor. Seller and Advisor shall not be obligated to furnish any Data after the Bid Deadline or to any party that the Seller determines, in its sole discretion, is not reasonably likely to be a Qualified Bidder.
3. Required Bid Documents
- A. Unless expressly waived by Seller, in order for a Bidder to become a Qualified Bidder, a Bidder must submit to Seller’s Counsel with a copy to Advisor, the following documents which, taken together, constitute the “Required Bid Documents”:
 - 1. Offer: A written “Offer And Bidder Registration Form” in the form attached hereto as **Exhibit 1**. Pursuant to the terms of such form, the offer must expressly state that the Bidder’s offer is all cash, on an as-is, where-is basis and irrevocable during the Irrevocability Period. If the bid is for both Properties, the Bidder must allocate the offer between the two Properties.
 - 2. Contract: An executed and fully completed Real Estate Purchase Contract in the form annexed hereto as **Exhibit 2**. The contract, as tendered, may not contain any contingencies, including, but not limited

to due diligence or financing contingencies.

3. Financials: Written evidence of a commitment for financing or other evidence of ability to consummate the transaction.
 4. Other Information: Any other information that the Seller may reasonably request which would enable Seller to evaluate, among other things, the Bidder's ability to consummate a transaction, the Bidder's legal authority to Bid, and/or the Bidder's ability to fulfill its obligations in connection therewith.
 5. Deposit: A cashier's or certified check for the Deposit for the proposed bid (or, upon request, wiring instructions may be provided).
- B. Confidentiality: By submitting a Bid, each Bidder reaffirms the NDA that it executed and agrees to maintain as confidential and to not disclose to third parties both the fact that Bidder submitted a Bid and the terms and conditions of such Bid.

4. Qualified Bids

Unless such requirement is waived by the Seller,

- A. ONLY BIDDERS THAT HAVE SUBMITTED QUALIFIED BIDS SHALL BE ELIGIBLE TO PARTICIPATE IN THE AUCTION; and
- B. In order for a Bid to be a "Qualified Bid," a Bid shall:
 1. Include the Deposit and each of the Required Bid Documents, executed and in form and substance acceptable to the Seller;
 2. Be a good faith, bona fide, offer to purchase one or more of the Properties;
 3. Not be contingent;
 4. Be actually received by the Bid Deadline;
 5. Demonstrate to the Seller the Bidder's ability to consummate promptly the purchase of the Properties on which a bid has been made; and
 6. Be irrevocable during the Irrevocability Period.
- C. Failure of a Bidder to fully, accurately and promptly respond to Seller's requests for additional information may result in a Bid no longer being considered a Qualified Bid.
- D. Following the receipt of Bids, Seller, in consultation with advisor, will ascertain, in the exercise of its reasonable business judgment, whether a Bid is a Qualified Bid, taking into account, among other things, the quality of the Required Bid Documents, the Bidder's experience, financial capacity to close, reputation in the marketplace, etc.
- E. By Noon ET on November 17, 2025, Advisor will notify each Bidder at the email address set forth on the Offer & Bidder Registration Form if it is a Qualified Bidder.
- F. Credit Bidding. Any creditor who has a valid and perfected lien on any assets of

the Debtor (a “Secured Creditor”) shall have the right to credit bid all or a portion of such Secured Creditor’s allowed claims pursuant to section 363(k) of the Bankruptcy Code (unless the Court, for cause, orders otherwise); provided, however, that a Secured Creditor shall only have the right to credit bid its claim with respect to collateral which secures such Secured Creditor’s claims; and provided further, however, that a Secured Creditor who provides a credit bid shall pay in cash all amounts that must be paid pursuant to the post-petition financing agreements with such Secured Creditor in order to close the proposed transaction, including, but not limited to, any carveouts, transfer taxes, and other amounts that would otherwise be payable by the Estate in connection with such transaction. In this respect, the Trustee has stipulated to the amount, nature, extent and validity and perfection of (a) the Palermo Lender in the Palermo Property [Dkt. No. 100], and (b) the Luna Lender in the Luna Property [Dkt. No. 120].

5. Deposit Requirement

- A. Each Bidder shall tender a Deposit with the Required Bid Documents to Seller’s Counsel. The Successful Bidder will be required to tender additional Deposits, as set forth below.
- B. The Deposit shall be by cashier’s check or certified check payable to Seller’s Counsel (or, upon request, wire instructions to Seller’s Counsel may be provided). Seller’s Counsel shall have no liability to any party in connection with its services with respect to Deposits except for willful misconduct, gross negligence or bad faith. Seller’s Counsel, at its discretion, may either immediately deposit Deposits into its escrow account or may hold Deposits pending the outcome of the Auction.
- C. In the event that the Seller does not consummate a sale of the Properties, for any reason (other than the Bidder’s failure to consummate a sale), the Seller’s sole obligation and liability shall be to refund the Deposit to the Bidder.
- D. No Bid shall be deemed to be “accepted” by Seller unless and until the Court has entered the Sale Order.

6. Seller’s Pre-Auction Discretion

- A. Seller, in consultation with Advisor, reserves the right to negotiate any offer made to purchase one or more of the Properties, and to determine whether it is beneficial to the Estate and the creditors to enter into a stalking-horse agreement for any of the Properties prior to the Auction or to withdraw the Properties from the auction and sell it directly without an auction; provided, however, that Seller shall file any withdrawal of the Properties from the Auction or cancellation of the Auction with the Court, and provide a copy thereof to the Office of the United States Trustee . The Seller retains the complete discretion in revising these Bid Procedures in accordance with its directive to maximize the value of the sale of the Properties; provided, however, that Seller shall file any material pre-auction modifications of the Bidding Procedures with the Court,

and provide a copy thereof to the Office of the United States Trustee.

- B. Stalking Horse. Seller may enter into Real Estate Purchase Contract for the sale of the Properties, or either of them, with a potential Bidder (the “**Stalking Horse Bidder**”) prior to the Auction. The following procedures and protections shall apply with respect to a Stalking Horse Bidder:

1. **Selection of Stalking Horse Bidder.** The Seller shall have authority to select a Stalking Horse Bidder, after consultation with representatives of the Palermo Lender Group (with respect to the Palermo Property) or the Luna Lender (with respect to the Luna Property). A Bidder shall be eligible to be designated a Stalking Horse Bidder so long as (i) it enters into a Real Estate Purchase Contract by the Bid Deadline, (ii) it tenders a Qualified Bid, and (iii) the Qualified Bid is in an amount acceptable to Seller. In the event that Seller selects a Stalking Horse Bidder, the Stalking Horse Bidder shall be deemed to be a Qualified Bidder and to have submitted a Qualified Bid at a fixed amount (the “**Stalking Horse Purchase Price**”).
2. **Bid Protections.** If Seller consummates a transaction in a greater amount (consistent with these Bid Procedures) as a product of the Auction (other than a transaction with the Stalking Horse Bidder), then the Stalking Horse Bidder (provided such Stalking Horse Bidder is not the Palermo Lender Group or the Luna Lender) shall be entitled to the following protections (the “**Bid Protections**”):
 - a) a “Break-Up Fee” in an amount of 2.5% of the proposed purchase price; and
 - b) expense reimbursement of actual out of pocket costs and expenses related to its due diligence of the Properties, not to exceed \$10,000.²
3. **Competitive Bid.** In the event of a competitive Auction including a Stalking Horse, the first competitive bid shall exceed the Stalking Horse Bidder’s Qualified Bid by no less than the amount of the Bid Protections plus \$35,000 with respect to the Palermo Property and \$15,000 with respect to the Luna Property, or, \$50,000 with respect to a bid for both Properties.

7. STEP TWO -The Auction: November 18, 2025 at 10:00 am EST

- A. Provided that the Properties are not already sold or otherwise disposed of, then Seller shall Auction the Properties on the Auction Date at the Auction Venue and will consider Bids for either or both Properties. The Seller reserves the right to change the location and time of the Auction. Only the Bids of Qualified Bidders will be considered at the Auction and Seller shall have no obligation to admit to the Auction any party who he does not deem a Qualified Bidder.

² Any Stalking Horse Bidder that requests payment of expense reimbursement shall be required to provide documentation confirming such expenses were actually incurred to the Seller and the Office of the United States Trustee.

- B. Based upon the terms of the Qualified Bids, the level of interest expressed in the Properties and such other information as the Seller may determine to be relevant, Seller shall have the right to amend the procedures set forth herein and to adopt, at any time, in his sole and absolute discretion, such rules for the bidding process which he determines will better promote the goals of the bidding process. Among other things, Seller shall determine, in the exercise of his sole and absolute discretion, acceptable bidding increments, which may be modified by the Seller during the Auction. Seller may offer the Properties for bidding in successive rounds; may conduct a sealed bid auction; may conduct an open Auction; or may otherwise conduct the Auction in the manner that he deems most appropriate for soliciting the highest and best Bids.
- C. The Seller shall receive Bids at the Auction for the Properties with the intention of selling the Properties to the Successful Bidder or Bidders. At the conclusion of the Auction or a later point to be determined by the Seller, the Seller, in consultation with Advisor, will determine which Bid is the highest and best Bid or Bids for the Properties together, or separately and which Bid or Bids is the next highest and best Bid and, based upon that determination, will announce the Successful Bid(s) and the Back-up Bid(s), respectively.
- D. Seller's determination of what constitutes the first and second "highest and best" Bids will be based upon the exercise of Seller's discretion and may take into consideration price, modifications to the Real Estate Purchase Contract, closing risk, risk of delay, financial condition, experience, and such other factors as Seller may deem relevant.
- E. At the conclusion of the Auction, both the Successful Bidder(s) and the Back-up Bidder(s) shall update and re-execute their respective Real Estate Purchase Contracts and any other agreements, contracts, instruments or other documents evidencing and containing the terms and conditions upon which the Successful Bid(s) and the Back-up Bid(s) were made.
- F. Formal rejection of a Bid by the Seller will not occur unless and until (a) the Seller expressly rejects a Bid in writing; or (ii) the Irrevocability Period lapses.
- G. The Successful Bidder shall supplement its Deposit so that immediately following the Auction, its aggregate deposit being held by Seller equals ten percent (10%) of the Successful Bid.
- H. All supplemental Deposits shall be paid in certified funds or bank cashiers check made payable to Seller's Counsel (or, if requested, by wire transfer to Seller's Counsel).
- I. The establishment of a Successful Bid and a Back-up Bid does not release any Bidder from its obligations and all Bids remain open and irrevocable for the duration of the Irrevocability Period.
- J. Return of Deposits:
 - 1. Seller reserves the right to hold the Deposit of the Backup Bidder until expiration of the Irrevocability Period.
 - 2. Seller shall return the Deposits of all Bidders other than the Successful

Bidder and the Backup Bidder within five (5) business days of the conclusion of the Auction.

8. STEP THREE – Court Approval

- A. Any objection to the sale must be filed with the Court on or before 3 business days prior to the Sale Hearing.
- B. The Sale Hearing will be held in the Court. Timely filed objections to the proposed sale may be heard by the Court at that time.

9. STEP FOUR – The Closing

- A. The Closing shall occur in accordance with the terms of the Real Estate Purchase Contract and the Sale Order. WITH RESPECT TO THE CLOSING, TIME OF PERFORMANCE BY THE SUCCESSFUL BIDDER(S) IS OF THE ESSENCE.
- B. In the event of the failure by a Successful Bidder to consummate a sale of one or both of the Properties, the Back-up Bidder for such Properties shall be deemed the Successful Bidder without further Order of the Court, and shall proceed to Closing no later than thirty (30) days following Seller's tender of a notice to the Back-up Bidder at the address set forth on the Bidder Registration Form. The Seller shall be entitled to retain the Deposit (as supplemented) of any Successful Bidder who fails to close because of a breach or failure by such Successful Bidder and such Deposit shall be deemed forfeited by such defaulting Successful Bidder, shall not be credited against the purchase price for the benefit of a Back-up Bidder, and Seller specifically reserves the right to seek all available damages from the defaulting Bidder.
- C. The balance of the purchase price shall be paid by the Successful Bidder by wire transfer or an endorsed bank or certified check at the Closing.

11. Other Provisions

A. Disclaimer

- 1. Any sale or other disposition of all or a portion of the Properties shall be without representations or warranties of any kind, nature or description by the Seller, its agents or representatives. The Properties shall be transferred on an "as is" and "where is" basis.
- 2. Any and all Data provided to prospective Bidders:
 - a) has been prepared for informational purposes only;
 - b) has been prepared from materials supplied to the Seller by third parties; and
 - c) is being furnished solely for use by Bidders in considering their interest in acquiring the Properties.
- 3. With respect to all Data, each bidder understands and agrees that the

Trustee, Advisors and their respective representatives:

- a) have **not** audited any of the financial information;
 - b) have **not** measured and certified the square footage and the acreage;
 - c) have **not** themselves confirmed the zoning and/or any other governmental regulations nor Trustee's compliance therewith;
 - d) have **not** made and/or will **not** make any representation or warranty, express or implied, as to the accuracy or completeness of the Confidential Information except pursuant to the Transaction Agreement; and
 - e) shall **not** have any liability whatsoever to Prospect or any of Prospect's Representatives relating to or resulting from the use of the Confidential Information or any errors therein or omissions therefrom, except pursuant to the Transaction Agreement.
4. By accepting Data from the Seller and/or Advisor, the recipient acknowledges and agrees that the Data has been prepared to assist the recipient in making its own evaluation of the Properties and the Data does not purport to be all-inclusive or to contain all of the information that a Bidder may desire. In all cases, Bidders should conduct their own due diligence prior to submitting an offer for the Property and to engage the services of legal counsel, accountants and such other financial advisors as may be required to understand the Properties. Seller and Advisor are not making nor will they make and expressly disclaim making any written or oral statements, representations, warranties, promises or guarantees, whether express or implied or by operation of law or otherwise, with respect to the Property or with respect to the accuracy, reliability or completeness of the Data, other than as may be set forth in the Real Estate Purchase Contract. Seller and Advisor and their respective partners, officers, directors and employees, affiliates and representatives, expressly disclaim any and all liability, and shall have no liability whatsoever to on any basis (including, without limitation, in contract, tort, under federal, foreign or state securities laws or otherwise) as a result of, relating or pertaining to, or resulting or arising from Bidder's or its representatives' reliance on the Data, or Bidder's or its representatives' use or non-use of the Confidential Information, for any alleged acts or omissions of Trustee, Advisor or any of their respective Representatives, or any errors or omissions in the Data.
5. Without limiting the generality of the immediately preceding paragraphs, the Data may include certain statements, estimates and projections with respect to the Properties. Such statements, estimates and projections reflect various assumptions made by the Trustee, which assumptions may or may not prove to be correct. No

representations are made as to the accuracy of such assumptions, statements, estimates or projections. The only information that will have any legal effect will be specifically represented in the Real Estate Purchase Contract, subject to such limitations and restrictions as may be specified therein.

6. Each Bidder, by submitting a Bid for the Properties, shall be deemed to acknowledge and represent:
 - a) that it is bound by these Bidding Procedures;
 - b) that it had an opportunity to inspect and examine the Properties and to review all pertinent documents and information with respect to the Properties prior to making its offer and that it relied solely on that review and upon its own investigation and inspection of the Properties in making its Bid; and
 - c) that it is not relying upon any written or oral statements, representations, or warranties of the Seller, or the Seller's agents or representatives.
- B. All of the Seller's right, title and interest in and to the Properties shall be assigned and sold, free and clear of all liens, claims, encumbrances and security interests, which shall attach to the net proceeds received by the Seller as a result of the sale with the same force and effect that they now have, subject to further Order of the Court.
- C. The sale of the Properties shall include personal Properties, inventory, fixtures, trade fixtures, or other furnishings or equipment located in or on the Properties, if any, except as set forth in the Real Estate Purchase Contract.
- D. Except to the extent of the applicability of section 1146(a) of the Bankruptcy Code, all sales, transfer and recording taxes, stamp taxes or similar taxes, if any, relating to the sale of the Properties shall be the sole responsibility of the Successful Bidder and shall be paid to the Seller at the Closing.
- E. The Seller, at or before the Auction, may impose such other and additional terms and conditions as it may determine to be in the best interests of the Debtor, its estate, the creditors and other parties interest.
- F. The Seller may reject any Bid that in his sole discretion he deems to be: (i) inadequate or insufficient; or (ii) contrary to the best interest of the Seller's estate and creditors. Such rejection may be made at any time prior to Court Approval.
- G. Any and all disputes related or pertaining to or resulting or arising from the marketing process, the Auction, the sale of the Properties, and/or the conduct of the Seller, Advisor and/or any of Seller's other professional advisors shall be adjudicated solely by the Court. The submission of a Bid shall constitute an express consent by the Bidder to the exclusive jurisdiction of the Court for all such matters.
- H. Bidder warrants and represents that it is a principal acting on its own behalf,

and not as a broker, finder or agent acting on another's behalf. Bidder acknowledges that it will not look to the Seller and/or Advisor and their respective representatives for the payment of any fee or commission. The Successful Bidder shall compensate Advisor in accordance with Advisor's Bankruptcy Court approved agreement. In addition, each Bidder agrees to be responsible for the payment of any fee, commission or other compensation payable to any broker, finder or agent who alleges it has dealt with or through Bidder. Bidder hereby agrees to indemnify, defend and hold the Seller and Advisor and their respective representatives harmless from and against any and all claims, damages, losses and liabilities, costs and expenses (including reasonable attorneys' fees and disbursements) arising out of any claim or claims by any broker, finder or similar agent for commissions, fees or other compensation who allege that they have dealt with the Seller and/or Advisor in connection with the Properties. Bidder understands that the Seller and Advisor and their respective representatives have not agreed to pay any brokerage commissions, finder's fee or other compensation in connection with Bidder's possible purchase. If Bidder is working with a broker or finder other than Advisor (as defined above), Bidder agrees that it shall be responsible for the payment of any fees, if any, to such broker or finder.

- I. Enforcement: If any party shall seek to enforce or protect its rights under this document or under any document or instrument executed and delivered in connection herewith in any action, suit, or other proceeding, including all bankruptcy cases and proceedings, the prevailing party shall be entitled to receive from the other party payment of its costs and expenses, including reasonable attorneys' fees incurred (whether such costs or fees are incurred before or after the commencement of the proceeding), including any and all appeals or petitions there from.
- J. Severability: The provisions hereof are severable and the invalidity of any provision hereof will not invalidate any other provision.
- K. Entire Agreement: This document, combined with the Real Estate Purchase Contract and the Bidder Registration Form, shall constitute the entire agreement between the parties, and any prior understanding or representation of any kind shall not be binding upon either party except to the extent it has been expressly incorporated into this document.
- L. Captions: The captions to sections and subsections of this document are solely for the convenience of the parties, are not a part of this document, and shall not be used for the interpretation or determination of the validity of this document or any provision hereof.
- M. Notice: Any correspondence or required notice shall be addressed as follows and shall be sent by Certified Mail, Return Receipt Requested, or by FedEx, either of which notices shall be supplemented by facsimile and/or email transmission, and shall be effective as of the date of actual receipt of the Certified Mail or FedEx. Such notice shall be addressed as follows:
 1. If to a Bidder, to the Bidder and its attorney (if disclosed on the Offer & Bidder Registration Form) using the contact information set forth on

the Offer & Bidder Registration Form.

2. If to any one or more of Seller, Seller's Counsel, and/or Advisor, then to all of such parties at the addresses set forth in the Definitions section above.

Dated: September 30, 2025

EXHIBIT1
OFFER & BIDDER REGISTRATION FORM

Bidder, _____, hereby:

- Offers to buy the following Properties for the price set forth below, pursuant to this Offer & Bidder Registration Form and the terms and conditions of the accompanying Real Estate Purchase Contract, and
- Seeks to become a Qualified Bidder pursuant to the terms and conditions of the Bidding Procedures approved by the United States District Court for the Eastern District of New York ("Bidding Procedures").

Bidder's offer is for the following Properties at the following price:

Properties Description	PRICE

Bidder hereby warrants and represents as follows:

- (a) Bidder has received, reviewed, understands and agrees to abide by the terms and conditions of the Bidding Procedures, the terms and conditions of which are incorporated herein by reference.
- (b) Bidder has received, reviewed and understands the terms and conditions of the standard form "Real Estate Purchase Contract", the terms and conditions of which are incorporated herein by reference.
- (c) To the extent that the words and phrases which are capitalized in this Offer & Bidder Registration Form have been defined in the Bidding Procedures or in the Real Estate Purchase Contract, those definitions are incorporated herein by reference.
- (d) Each Bid made at the Auction shall constitute a binding, irrevocable "Bid" pursuant to the Bidding Procedures.
- (e) Each Bid along with any subsequent Bids is irrevocable pursuant to the terms of the Bidding Procedures.
- (f) Each Bid is and shall be a good faith, bona fide, irrevocable offer to purchase the Properties on an all-cash, as-is, where-is basis, with no contingencies.
- (g) Bidder had an opportunity to inspect and examine the Properties and to review all other pertinent documents with respect to the Properties prior to making its Bid and Bidder relied solely on that review and upon its own investigation and inspection of the Properties in making its Bid; and Bidder is not relying upon any written or oral statements, representations, or warranties of the Seller, Seller's Counsel and/or Advisor or any of Seller's other agents or representatives.

- (h) The Successful Bidder shall supplement its Deposit so that immediately following the Auction, its aggregate deposit being held by Seller equals ten percent (10%) of the Successful Bid. **All supplemental Deposits shall be paid in certified funds or bank cashiers check made payable to Seller.**
- (i) Both the Successful Bidder and the Back-up Bidder shall modify and re-execute the Real Estate Purchase Contract, as appropriate, without varying its terms other than to reflect the terms of the Successful Bid as publicly announced at the Auction.
- (j) Bidder acknowledges that, pursuant to, inter alia, 18 U.S.C. Section 371, it is a federal crime to engage in collusive bidding or to chill the bidding.

AGREED & ACCEPTED this ____ day of _____, 2025

By: _____

BIDDER I.D.

Bidder's Address: _____

Bidder's Contact: _____

Bidder's Phone: _____

Bidder's Email Address: _____

Bidder's Tax ID Number: _____

ATTORNEY I.D.

Bidder's Attorney: _____

Bidder's Attorney's Address: _____

Bidder's Attorney's Phone: _____

Bidder's Attorney's Email Address: _____

BANK REFERENCE

Bank & Bank Contact: _____

Bank Address: _____

Bank Contact's Phone Number: _____

Bank Contact's Email Address: _____

Exhibit 2

Proposed Sale Agreement

PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT (this “Agreement”) is made and entered into as of this ____ day of _____, 2025 (the “Effective Date”), by and between JONATHAN L. FLAXER, solely in his capacity as Chapter 11 Trustee (the “Trustee”) for the bankruptcy estate of Nigel Laughton LLC (“Seller”), and _____, a _____ (“Buyer”).

WITNESSETH:

WHEREAS, until the filing of the Bankruptcy Case (as such term is defined below), Nigel Laughton LLC (“Owner” or “Debtor”) was the owner of a certain parcel of land located at [1738 | 1740-46] Nostrand Avenue, Brooklyn, New York, and more particularly described on Exhibit A attached hereto and made a part hereof (the “Land”), together with all improvements located thereon (the “Improvements”; the Land and Improvements, collectively, are referred to herein as the “Property”); and

WHEREAS, Owner is a debtor in a chapter 11 bankruptcy case (the “Bankruptcy Case”) styled *In re Nigel Laughton LLC*, Case No. 25-40082, pending before the United States Bankruptcy Court for the Eastern District of New York (the “Bankruptcy Court”); and

WHEREAS, upon Owner’s filing of the Bankruptcy Case, the Property became property of the Debtor’s bankruptcy estate; and

WHEREAS, on March 17, 2025, the United States Trustee appointed the Trustee as Chapter 11 Trustee for the bankruptcy estate of the Owner, and the appointment was approved by an order of the Bankruptcy Court entered on March 28, 2025; and

WHEREAS, Seller desires to sell and convey to Buyer, pursuant to section 363 of the title 11 of the United States Code (the “Bankruptcy Code”), and Buyer desires to purchase, all of Seller’s right, title and interest in and to the Property, upon the terms and conditions of this Agreement;

NOW, THEREFORE, in consideration of the respective agreements hereinafter set forth and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, Seller hereby agrees to sell to Buyer, and Buyer hereby agrees to purchase from Seller, the Property, under and subject to all of the following terms and conditions:

Incorporation of Recitals. The above-stated recitals are hereby incorporated herein and made a part of this Agreement.

1. Purchase and Sale. Subject to the terms and conditions of this Agreement, Seller hereby agrees to sell to Buyer, and Buyer agrees to purchase from Seller, the Property.

2. Purchase Price. The purchase price for the Property (the “Purchase Price”) is _____. Provided that all conditions precedent to Buyer’s obligations to close as set forth in this Agreement have been satisfied and fulfilled, or waived in writing by Buyer, the Purchase Price shall be paid to Seller at Closing (hereinafter defined), plus or minus prorations and other adjustments hereunder, including all of the Deposit (hereinafter defined) credited against the Purchase Price, by bank check or certified funds.

(a) Deposit. On the Effective Date, Buyer shall deposit _____ [10% of Purchase Price] in immediately available federal funds (the “Deposit”) with Seller. Upon such deposit, the Deposit shall become non-refundable, except as otherwise provided in this Agreement.

(a) The Deposit shall be held by Seller in a segregated non-interest bearing account until the Closing or sooner termination of this Agreement. In the event that the Closing does not occur, the Deposit shall be disbursed as provided herein.

(b) If a dispute arises between Seller and Buyer with regard to the disposition of the Deposit, then Seller shall, either (i) continue to hold the Deposit and the interest thereon, if any, until otherwise directed by a final judgment of the Bankruptcy Court directing the disposition of the Deposit, or (ii) deposit the Deposit and the interest thereon with the Clerk of the Bankruptcy Court. Seller shall give written notice of such deposit with the Clerk of the Bankruptcy Court to Buyer.

3. Title.

(a) Title Commitment. Buyer shall promptly order a title report from a nationally recognized title insurance company authorized to do business in New York (the “Title Company”). Buyer shall, within fourteen (14) days after the issuance of any title report (the “Title Commitment”), deliver a copy thereof to Seller and give notice to Seller specifying all title exceptions set forth in such report which Buyer claims are not Permitted Exceptions (as hereinafter defined) (each, a “Defect” and collectively, the “Defects”). Seller shall have the right to dispute Buyer’s determination that a particular title exception is a Defect hereunder. The failure of Buyer to timely object to any Defects reflected on the Title Commitment shall be deemed a waiver of any such objection. Within five (5) Business Days after receiving Buyer’s notice (the “Seller’s Response Period”), Seller shall notify Buyer if Seller intends to attempt to effectuate the

cure of any Defects, which cure may include causing the Title Company to commit to insure over such disapproved item to Buyer's reasonable satisfaction. In the event that prior to the expiration of Seller's Response Period, Seller fails to advise Buyer of its intention to attempt to effectuate such cure, Buyer may, within ten (10) Business Days after the expiration of Seller's Response Period, terminate this Agreement by notice to Seller, in which event the Deposit shall be returned to Buyer and thereafter all parties shall be released from any further liabilities or obligations hereunder, except to the extent provided elsewhere herein. If Buyer does not so terminate this Agreement within ten (10) Business Days after the expiration of Seller's Response Period, Buyer shall proceed to Closing notwithstanding such Defects, and Buyer shall be deemed to have waived all objections to such Defects. The Property shall be sold and is to be conveyed, and Buyer agrees to purchase the Property, subject to (a) those matters set forth on Exhibit B annexed hereto, (b) the title exceptions that the Title Company shall be willing to (i) omit as exceptions to coverage or (ii) except with insurance against collection out of or enforcement against the Property with respect to Buyer's insurance policy, and omit as exceptions to coverage with respect to any lender's mortgage insurance policy, (c) the standard exceptions and provisions contained in the form of insuring agreement employed by the Title Company, (d) all exceptions to the title set forth in an ALTA survey of the Property if Buyer obtains a survey or the standard survey exception if no survey is obtained, and (e) any exceptions and matters that are approved, waived or deemed to have been approved or waived by Buyer (the liens, claims, encumbrances, exceptions and matters set forth in the subclauses (a) and (e) above with respect to the Property being collectively referred to as the "Permitted Exceptions").

(b) Title Policy. Buyer shall be responsible for all costs (including, without limitation, all premiums and the cost of any endorsements requested by Buyer) in connection with the Title Company's issuance of the Title Commitment and a title policy (the "Title Policy") to Buyer.

(c) Representations and Warranties.

(a) Seller's Representations and Warranties. Seller represents and warrants to Buyer that:

(i) Seller. Seller is the bankruptcy estate of the Debtor, effectuated by its representative, the Trustee.

(ii) Authority. Subject to the approval of the Bankruptcy Court as described in Section 11, Seller has the authority to enter into and perform this Agreement.

(iii) Conflict with Existing Laws or Contracts. Subject to Bankruptcy Court approval, the execution and delivery of this Agreement and all related documents and the performance of its obligations hereunder and thereunder by Seller does not conflict with any provision of any law or regulation to which Seller is subject, conflict with or result in a breach of or constitute a default under any of the terms, conditions or provisions of any agreement or instrument to which Seller is a party or by which Seller is bound or any order or decree applicable to Seller or result in the creation of imposition of any lien on any of the assets or property of the estate of the Debtor, which would materially and adversely affect the ability of Seller to perform Seller's obligations under this Agreement.

(iv) Legal Action Against Seller. Subject to Bankruptcy Court approval, there is no action, suit or proceeding pending against Seller in any court or by or before any other governmental agency or instrumentality which would materially and adversely affect the ability of Seller to perform Seller's obligations under this Agreement.

(v) Notwithstanding the foregoing, all of Seller's representations set forth herein shall be deemed to merge with the Trustee's deed and shall not survive the Closing.

(b) Buyer's Representations and Warranties. Buyer represents and warrants to Seller that:

(i) Conflict with Existing Laws or Contracts. The execution and delivery of this Agreement and all related documents and the performance of its obligations hereunder and thereunder by Buyer does not conflict with any provision of any law or regulation to which Buyer is subject, conflict with or result in a breach of or constitute a default under any of the terms, conditions or provisions of any agreement or instrument to which Buyer is party or by which Buyer is bound or any order or decree applicable to Buyer, or result in the creation or imposition of any lien on any of Buyer's assets or property, which would materially and adversely affect the ability of Buyer to perform its obligations under this Agreement; and, except for the Sale Order, Buyer has obtained all consents, approvals, authorizations or orders of any court or governmental agency or body, if any, required for the execution, delivery and performance by Buyer of this Agreement.

(ii) Legal Action Against Buyer. There are no judgments, orders or decrees of any kind against Buyer unpaid or unsatisfied of record or any legal action, suit or other legal or administrative proceeding pending, threatened or reasonably anticipated which could be filed before any court or administrative agency which has, or is likely to have, any material adverse effect on (i) the business assets or the condition, financial or otherwise, of Buyer, or (ii) the ability of Buyer to perform its obligations under this Agreement.

(iii) Bankruptcy or Debt of Buyer; Financial Condition. Buyer has not filed any petition seeking or acquiescing in any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any law relating to bankruptcy or insolvency, nor has any such petition been filed against Buyer. No general assignment of Buyer's property has been made for the benefit of creditors, and no receiver, master, liquidator or trustee has been appointed for Buyer or any of his property. Buyer is not insolvent and the consummation of the transactions contemplated by this Agreement shall not render Buyer insolvent. Buyer has now and will have as of the Closing sufficient capital or net worth to meet his current obligations. Buyer certifies that any financial statements and any financial statements of Buyer submitted to Seller, if any, have been prepared in accordance with generally accepted accounting principles recognized by the American Institute of Certified Public Accountants or the Financial Accounting Standards Board, or any successors thereto, and are true and correct and that no circumstances have occurred or come to his attention since the date of such financial statements which would have a material adverse impact on the financial condition of Buyer as indicated on any such financial statements delivered to Seller.

4. Inspection. Buyer shall have the right to inspect the Property prior to Closing during business hours on Business Days, provided that (i) Buyer shall give reasonable advance notice to Seller, and (ii) Seller (or Seller's designee) shall have the right to accompany Buyer during Buyer's inspection. Buyer shall protect, defend, indemnify, save and hold harmless Seller from and against any and all loss, liability, claims, cause of action, demands, liens, fines, suits, actions, proceedings, orders, decrees and judgments of any kind or nature by or in favor of anyone whomsoever, and against and from any and all costs, damages and expenses, including, without limitation, reasonable attorneys' fees and costs of tribunals at all levels, resulting from the activities of Buyer and its agents and representatives in connection with Buyer's exercise of its rights under this Section. The provisions of this Section shall survive the Closing.

5. Governmental Violations and Orders. To the extent provided by section 363 of the Bankruptcy Code, Seller shall convey title to Buyer free and clear of all liens, claims and other interests, including, without limitation, any and all alleged or asserted fines and/or penalties and/or payments due in connection with all notes or notices of violations of law or municipal ordinances, orders or requirements noted or issued as of the Closing Date by any governmental department having authority as to lands, housing, buildings, fire, health, environmental and labor conditions affecting the Property. Seller shall not be responsible for curing any such violations and the Purchaser shall take title subject to any such violations. Such alleged or asserted fines and/or penalties and/or payments that shall attach to the proceeds of the sale shall include but are not limited to the following:

- Any obligations pursuant to the Administrative Code of New York City
- Any and all Environmental Control Board Judgments in connection with the Property
- Any and all New York City Fire Department violations
- Any and all building violations, including any violations imposed by the New York City Division of Housing and Community Renewal or New York City Department of Housing Preservation and Development.

6. Transaction Costs.

(a) Seller's Transaction Costs. Seller, and/or the Debtors' estate, in addition to Seller's apportionment obligations hereunder, if any, shall be responsible for the cost of Seller's legal counsel, advisors and the other professionals retained by Seller in connection with the sale of the Property.

(b) Buyer's Transaction Costs. Buyer, in addition to his apportionments (if any) and his other payment obligations hereunder, shall be responsible for all costs and expenses associated with (a) Buyer's due diligence, (b) Buyer's legal counsel, advisors, engineers, consultants and the other professionals employed by him in connection with Buyer's due diligence and the purchase of the Property, (c) title reports or abstracts issued by the Title Company, as well as all survey and search costs and updates related thereto, (d) the policy premiums in respect of any fee title insurance obtained by Buyer and any mortgage title insurance required by Buyer's lender (if any), (e) the recording fees for the Trustee's deed, and (f) all costs and expenses of

obtaining any financing Buyer may elect to obtain (including any fees, financing costs, transfer taxes, mortgage taxes and intangible taxes in connection therewith).

7. “AS-IS” PURCHASE.

(a) BUYER ACKNOWLEDGES AND AGREES THAT, IF BUYER ACTUALLY CLOSES ON THE PURCHASE HEREUNDER, BUYER IS PURCHASING THE PROPERTY “AS-IS,” “WHERE-IS” AND “WITH ALL FAULTS” WITHOUT ANY WARRANTIES, REPRESENTATIONS OR GUARANTEES, EITHER EXPRESSED OR IMPLIED, OF ANY KIND, NATURE, OR TYPE WHATSOEVER FROM, OR ON BEHALF OF, SELLER, EXCEPT AS SPECIFICALLY SET FORTH IN THIS AGREEMENT. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, BUYER ACKNOWLEDGES AND AGREES THAT SELLER HEREBY EXPRESSLY DISCLAIMS ANY AND ALL IMPLIED WARRANTIES CONCERNING THE CONDITION OF THE PROPERTY AND ANY PORTIONS THEREOF, INCLUDING, BUT NOT LIMITED TO, ENVIRONMENTAL CONDITIONS, THE IMPLIED WARRANTIES OF HABITABILITY, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE.

(b) BUYER ACKNOWLEDGES AND AGREES THAT BUYER HAS NOT RELIED, AND WILL NOT RELY, UPON ANY REPRESENTATIONS OR WARRANTIES (ORAL OR WRITTEN) MADE BY OR PURPORTEDLY MADE ON BEHALF OF SELLER UNLESS SUCH REPRESENTATIONS AND WARRANTIES ARE EXPRESSLY SET FORTH IN THIS AGREEMENT. BUYER FURTHER ACKNOWLEDGES AND AGREES THAT BUYER HAS NOT RELIED, AND WILL NOT RELY, UPON ANY DOCUMENTS (OTHER THAN THIS AGREEMENT) OR OTHER INFORMATION (ORAL OR WRITTEN) PROVIDED BY, OR PURPORTEDLY PROVIDED ON BEHALF OF, SELLER UNDER THIS AGREEMENT OR OTHERWISE. BUYER UNDERSTANDS AND AGREES THAT ANY DOCUMENTS OR INFORMATION PROVIDED TO BUYER BY SELLER OR ON SELLER’S BEHALF HAVE BEEN OBTAINED FROM A VARIETY OF SOURCES AND HAVE NOT BEEN INDEPENDENTLY INVESTIGATED OR VERIFIED BY SELLER AND ARE NOT TO BE RELIED UPON BY BUYER IN PURCHASING THE PROPERTY. SELLER MAKES NO EXPRESS REPRESENTATIONS OR WARRANTIES AND SELLER HEREBY DISCLAIMS ANY AND ALL IMPLIED WARRANTIES CONCERNING THE TRUTH, ACCURACY AND COMPLETENESS OF ANY DOCUMENTS OR INFORMATION PROVIDED TO BUYER BY SELLER OR BY ANYONE ACTING, OR PURPORTING TO ACT, ON BEHALF OF SELLER, EXCEPT AS MAY BE SPECIFICALLY REPRESENTED HEREIN.

(c) EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED IN THIS AGREEMENT, BUYER AGREES THAT NO REPRESENTATIONS BY OR ON BEHALF OF SELLER HAVE BEEN MADE TO BUYER AS TO THE CONDITION OF THE PROPERTY, ANY RESTRICTIONS RELATED TO THE DEVELOPMENT OF THE PROPERTY, THE APPLICABILITY OF OR COMPLIANCE WITH ANY GOVERNMENTAL REQUIREMENTS, INCLUDING, BUT NOT LIMITED TO, ZONING AND ENVIRONMENTAL LAWS, OR THE SUITABILITY OF THE PROPERTY FOR ANY PURPOSE WHATSOEVER. BUYER ACKNOWLEDGES THAT SELLER DOES NOT POSSESS ANY EXPERTISE CONCERNING HAZARDOUS MATERIALS (AS DEFINED BY ANY FEDERAL, STATE OR LOCAL LAW, RULE OR REGULATION), INCLUDING,

WITHOUT LIMITATION, ASBESTOS, AND, EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED IN THIS AGREEMENT, THAT BUYER IS NOT RELYING ON ANY REPRESENTATION, OR THE LACK OF SAME, WITH RESPECT TO HAZARDOUS MATERIALS AS THEY APPLY TO CONDITIONS ON THE PROPERTY.

(d) AS OF THE CLOSING DATE, BUYER UNCONDITIONALLY WAIVES AND RELEASES SELLER FROM AND AGAINST ANY AND ALL LIABILITY OF SELLER, WHETHER KNOWN OR UNKNOWN, PRESENT OR FUTURE, ARISING OUT OF OR RELATING TO THE PRESENCE OR ALLEGED PRESENCE OF HAZARDOUS MATERIALS ON, IN, UNDER OR ABOUT THE PROPERTY, OR THE VIOLATION OR ALLEGED VIOLATION OF ANY ENVIRONMENTAL LAWS, INCLUDING BUT NOT LIMITED TO THOSE UNDER THE COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION AND LIABILITY ACT OF 1980, AS AMENDED.

(e) Conditions. The obligation of Seller, on the one hand, and Buyer, on the other hand, to consummate the transactions contemplated hereunder shall be subject to the following conditions:

(a) Bankruptcy Court Approval.

(i) Notwithstanding anything to the contrary in this Agreement, all obligations of Seller under this Agreement and Buyer's obligation to close are subject to (i) any higher and better offers that may be made at the Auction (as hereinafter defined), (ii) entry of the Sale Order (as hereinafter defined) by the Bankruptcy Court, and (iii) no order having been issued staying or enjoining the Closing.

(ii) Seller has filed a motion in the Bankruptcy Court (the "Approval Motion") for an order be entered, among other things, the form and manner of notice of the Auction, the bidding procedures governing such Auction (the "Bidding Procedures"), and scheduling an Auction (as hereinafter defined) and a Sale Hearing (as hereinafter defined) (ii) that at the hearing to approve the sale of the Property (the "Sale Hearing"), an order be entered (the "Sale Order") (y) authorizing Seller to consummate the sale transaction to the higher and better bidder selected by Seller prior to the Sale Hearing and approved by the Bankruptcy Court, and (z) conveying title to Buyer pursuant to Sections 363(b) and 363(f) of the Bankruptcy Code free and clear of all liens, claims and other interests with all said liens, claims and interests to attach to the proceeds of the sale in the same priority as immediately prior to the Closing.

(iii) Subject to the Bankruptcy Court's approval of the Approval Motion, Seller shall hold an auction (the "Auction") in accordance with the Bidding Procedures. The Auction shall be held at such place, time and date as set forth in the order approving the Approval Motion.

(iv) If Purchaser is not the "Successful Bidder" (as defined in the Bidding Procedures), but is the Back-Up Bidder (as defined in the Bidding Procedures), the Deposit will be returned to Purchaser when required by the Bidding Procedures.

(b) This Agreement shall be in full force and effect and there shall not then exist any event which would allow either party to terminate this Agreement pursuant to the express terms hereof.

(c) Closing.

(a) Closing Date. The consummation of the transaction contemplated herein ("Closing") shall be held at and delivery of all items to be made at Closing under the terms of this Agreement shall be made to the offices of Golenbock Eiseman Assor Bell & Peskoe LLP or through escrow with the Title Company, as soon as practicable after the entry of the Sale Order, but in no event later than the thirtieth (30th) day thereafter, provided that no stay of the Closing shall have been ordered in connection with any appeal filed with respect to the Sale Order. The date on which the Closing occurs is herein referred to as the "Closing Date."

(b) Seller Deliveries. At Closing, Seller shall deliver, or cause to be delivered, to Buyer the following:

(i) The Sale Order conveying title to Buyer pursuant to Sections 363(b) and 363(f) of the Bankruptcy Code free and clear of all liens, claims and other interests with all said liens, claims and interests to attach to the proceeds of the sale in the same priority as immediately prior to the Closing;

(ii) A duly-executed Trustee's deed without covenants of the Property in proper form for recording, duly executed and acknowledged, so as to convey to Purchaser fee simple title to the Property. The deed shall contain a covenant by Seller as required by subd. 5 of Section 13 of the Lien Law;

(iii) Such conveyancing or transfer tax forms or returns, if any, as are required to be delivered or signed by Seller by applicable state and local law in connection with the conveyance of the Property;

(iv) A duly-executed Non-Foreign Status Affidavit pursuant to §1445 of the Code (as defined below) executed by Seller;

(v) Any certificates, instruments, lien affidavits, title insurance statements or information or transfer declarations as may be reasonably required by the Title Company and necessary to issue the Title Policy in accordance with the terms hereof; and

(vi) Any other Closing deliveries required to be made by or on behalf of Seller hereunder or pursuant to the Sale Order, if applicable.

(c) Buyer Deliveries. At Closing, Buyer shall deliver, or cause to be delivered, to Seller, or its designee, the following:

(i) The balance of the Purchase Price and any other amounts payable by Buyer to Seller as adjusted in accordance with Section 13 in immediately available funds;

(ii) Any certificates, instruments, lien affidavits, title insurance statements or information or transfer declarations as may be reasonably required by the Title Company and necessary to issue the Title Policy in accordance with the terms of this Agreement;

(iii) Such conveyancing or transfer tax forms or returns, if any, as are required to be delivered or signed by Buyer by applicable state and local law in connection with the conveyance of the Property and a check to pay the same; and

(iv) Any other Closing deliveries required to be made by or on behalf of Buyer hereunder or pursuant to the Sale Order, if applicable.

(d) Prorations and Adjustments. The following are to be adjusted and prorated between Seller and Buyer as of 11:59 p.m. on the day preceding the Closing Date, based upon a 365 day year, and the net amount thereof shall be added to (if such net amount is in Seller's favor) or deducted from (if such net amount is in Buyer's favor) the balance of the Purchase Price owed at Closing. Buyer and Seller shall cause their respective attorneys or representatives to prepare a schedule of proration adjustments prior to the Closing with respect to the following: Rents. Subject to this Section 13(a), all fixed rent and regularly scheduled items of additional rent due from a tenant or occupant, and other tenant or occupancy charges if, as and when received. Rents which are delinquent as of the Closing Date shall not be prorated on the Closing Date. Buyer shall be entitled to collect rent from all tenants or occupants for pre-Closing rent after the Closing, except with respect to delinquent rents and any other amounts or other rights of any kind respecting tenants who are no longer tenants of the Property as of the Closing Date, Seller shall retain all rights relating thereto.

(e) Taxes and Assessments. Real estate taxes shall be adjusted and prorated on the basis of the current fiscal year. If the Closing shall occur before the tax rate or assessed valuation is fixed for the Property for the current fiscal year, the apportionment of real estate taxes for the Property shall be upon the basis of the tax rate for the preceding year applied to the most recently applicable assessed valuation of the Property, subject to final adjustment promptly upon the fixing of the tax rate and/or assessed valuation for the Property for the fiscal year in which the Closing occurs. In the event that the Property or any part thereof shall be or shall have been affected by an assessment or assessments, whether or not the same become payable in annual installments, Buyer shall not be responsible for any installments due prior to the Closing, and Buyer shall timely pay and be responsible for any installment due on or after the Closing.

(f) Water and Sewer Charges. Water rates, water meter charges, sewer rents and vault charges, if any (other than any such charges, rates or rents which are payable by tenants of any portion of the Property directly to the applicable governmental authority or utility provider), shall be adjusted and prorated on the basis of the fiscal period for which assessed. If there be a water meter, or meters, with respect to any portion of the Property, Seller agrees that it shall at the Closing furnish a reading of same to a date not more than ten (10) days prior to the Closing and the unfixed meter charges and the unfixed sewer rent thereon for the time intervening from the date of the last reading shall be apportioned on the basis of such last reading, and shall be promptly and appropriately readjusted after the Closing on the basis of the next subsequent bills. Unmetered water charges shall be apportioned on the basis of the charges therefor for the same period of the preceding calendar year, but applying the current rate thereto. As to any unpaid water charges or

sewer rents payable by tenants directly to the applicable governmental authority or utility provider, Buyer shall close title and accept the delivery of the deed for the Property subject to such unpaid charges and rents and any lien resulting therefrom, without credit against the Purchase Price or any claim or right of action against Seller.

(g) Utility Charges. Seller shall arrange for a final reading of all utility meters (covering gas, steam, oil and electricity) as of the Closing, except meters the charges of which are payable by tenants of the Property directly to the applicable utility company. At the Closing, Seller and Buyer shall jointly execute a letter to each of such utility companies advising such utility companies of the termination of Seller's responsibility for such charges for utilities furnished to the Property as of the date of the Closing and commencement of Buyer's responsibilities therefor from and after such date. All utility charges prior to Closing shall be a claim against the bankruptcy estate, and Buyer shall pay all such utility charges pertaining to the period after Closing. Any bill which shall be rendered which shall cover a period both before and after the date of Closing shall be apportioned between Buyer and Seller as of the Closing Date.

(h) Permits. Charges, payments and deposits under all transferable governmental licenses, permits, approvals and certificates which are in effect on the Closing Date and are required or used in connection with the ownership or operation of the Property or any part thereof.

(i) Other. Any other item which, under the terms of this Agreement, is to be apportioned at Closing. If any such items are not determinable at the Closing, the adjustment shall be made subsequent to the Closing promptly when the charge is determined. Any errors or omissions in computing adjustments at the Closing shall be promptly corrected, provided that the party seeking to correct such error or omission shall have notified the other party of such error or omission on or prior to the date that is six (6) months following the Closing Date. The provisions of this Section 13 shall survive the Closing.

(j) Condemnation and Casualty. Seller shall promptly give Buyer notice of any condemnation proceedings that are threatened or instituted with respect to the Property (a "Taking") and any damage that may occur to the Property (a "Casualty"). If, at or before Closing, the Property is the subject of a Casualty or Taking, Buyer shall have the option, exercisable within ten (10) days of the Taking or Casualty by written notice to Seller, to elect to either (i) proceed to Closing, the parties agreeing that there shall be no reduction in the Purchase Price, whereupon Buyer shall be entitled to all right, title and interest in and to any condemnation proceeds or awards, or any insurance proceeds relating to a Casualty, as the case may be, or (ii) terminate this Agreement if the Property shall have suffered a Material Casualty or Taking. As used herein, a "Material Casualty or Taking" means a Casualty or Taking where the cost of restoration shall exceed twenty percent (20%) of the Purchase Price. In the event Buyer shall fail to exercise either such option, Buyer shall be deemed to have elected the option set forth in the foregoing clause (i).

15. Termination; Default and Remedies.

(a) Permitted Termination. If this Agreement is terminated by Seller or Buyer as expressly provided herein, including pursuant to Section 11(a) (a "Permitted Termination"), this Agreement shall be null and void and of no further force or effect, the Deposit shall be returned to

the party entitled thereto pursuant to this Agreement and the parties hereto shall be released from any further liabilities or obligations hereunder, except to the extent provided elsewhere herein

(b) Default by Buyer. If Seller shall not be in default under this Agreement and Buyer defaults under this Agreement or fails to consummate the transaction contemplated hereby for any reason other than a Permitted Termination, Seller shall, as its sole and exclusive remedy therefor, terminate this Agreement and keep the Deposit as liquidated damages (it being acknowledged by the parties that actual damages are incapable of being ascertained).

(c) Default by Seller. If Buyer shall not be in default under this Agreement and if Seller defaults under this Agreement or fails to consummate the transactions contemplated hereby for any reason other than a Permitted Termination, Buyer shall have the right, as its exclusive remedy, to terminate this Agreement by delivery of written notice of termination to Seller and receive a refund of the Deposit.

16. Broker's Fee. Seller has advised Buyer, and Buyer acknowledges, that Seller has retained Keen-Summit Capital Partners LLC and B6 Real Estate Advisors LLC ("Broker") as broker to assist in marketing the Property and that, in accordance with the Bidding Procedures, Buyer is responsible for payment of Broker's commission payable pursuant to the brokerage agreement approved by the Bankruptcy Court at Closing, TIME BEING OF THE ESSENCE. Other than as set forth above, Seller and Buyer warrant that neither has had any dealings with any other broker or agent in connection with the negotiation or execution of this Agreement. Seller and Buyer agree to indemnify each other against all costs, expenses, reasonable attorneys' fees or other liability for commissions or other compensation or charges claimed by any broker or agent claiming to have represented such party with respect to the purchase and sale of the

17. Time of the Essence. Time is of the essence of this Agreement.

18. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties and, subject to Section 21(d), their respective successors and assigns.

19. Amendments. This Agreement may not be amended, altered or modified unless in writing and signed by both parties.

20. Entire Agreement. This Agreement sets forth the entire agreement and understanding between the parties regarding the subject matter hereof, and merges all prior discussions between them. Neither Seller nor Buyer shall be bound by any conditions, definitions, or representations, whether written or oral, other than as expressly provided in this Agreement or as set forth after the date of this Agreement in a written amendment to the Agreement signed by both parties

21. Miscellaneous

(a) Notices. Any notice required or permitted to be given under this Agreement shall be in writing (it being acknowledged and agreed by the parties that an e-mail transmission shall not be deemed a "writing" hereunder) and shall be deemed to have been given upon the earlier of receipt or (i) three (3) Business Days after deposit in the United States mail, registered or certified, postage prepaid, return receipt requested, (ii) one (1) Business Day after deposit with

Federal Express or similar nationally recognized overnight courier, or (iii) same day if delivered by hand, and addressed as follows:

If to Seller: Jonathan L. Flaxer, Chapter 11 Trustee
Golenbock Eiseman Assor Bell & Peskoe
LLP
711 Third Avenue, 17th Floor
New York, New York 10017

Bell & Peskoe LLP
With a copy to: Golenbock Eiseman Assor
711 Third Avenue, 17th Floor
New York, New York 10017
Attn: Michael S. Weinstein, Esq.
Phone: 212-907-7347

If to Buyer: _____

With a copy to: _____

Attn: _____
Phone: _____

or such other address as either party may, from time to time, specify in writing to the other. Any notice hereunder may be given by counsel for Seller or Purchaser, as applicable

(b) Multiple Counterparts. This Agreement may be executed in any number of counterparts, each to be considered an original but all of which taken together shall constitute the same instrument.

(c) Business Days. As used herein, the term “Business Day” shall mean any day other than Saturday, Sunday or any day banks are authorized or required to be closed in New York, New York.

(d) No Assignment by Buyer. Neither this Agreement nor any of the rights of Buyer hereunder (nor the benefits of such rights) may be assigned, transferred or encumbered without Seller’s prior written consent and any purported assignment, transfer or encumbrance without Seller’s prior written consent shall be void. Unless, in each instance, the prior written consent of Seller has been obtained, any such assignment shall constitute a material default under this Agreement and shall entitle Seller to exercise all rights and remedies under this Agreement; at law or equity, in the case of such a default, including, without limitation, the right to terminate this Agreement and retain the Deposit.

(e) Approvals in Writing. All approvals or consents required under this Agreement by either party must be in writing.

(f) Governing Law. This Agreement shall be governed by the laws of the state of New York, without regard to choice of law rules.

(g) Prevailing Parties. If any litigation is brought by either party against the other either to enforce the rights of any party hereto or to clarify rights and obligations hereunder, the substantially prevailing party shall be entitled to recover from the other party thereto the reasonable costs and expenses, including reasonable attorneys’ fees and costs, of such proceeding.

(h) No Third Party Beneficiary. The provisions of this Agreement and of the documents to be executed and delivered at Closing are and will be for the benefit of Seller and Buyer only and are not for the benefit of any third party, and accordingly, no third party shall have the right to enforce the provisions of this Agreement or of the documents to be executed and delivered at Closing.

(i) Calculation of Time Periods. Unless otherwise specified, in computing any period of time described herein, the day of the act or event after which the designated period of time begins to run is not to be included and the last day of the period so computed is to be included, unless such last day is not a Business Day, in which event the period shall run until the end of the next day which is a Business Day. The last day of any period of time described herein shall be deemed to end at 5:00 p.m. in the jurisdiction in which the Property is located.

(j) Reservation of Rights. Notwithstanding anything herein to the contrary, Trustee reserves his right to object to any alleged or asserted claims or liens.

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IN WITNESS WHEREOF, the parties hereto have executed and delivered this instrument as of the date set forth above.

SELLER:

JONATHAN L. FLAXER, solely in his capacity as
Chapter 11 Trustee for Nigel Laughton LLC

BUYER:

EXHIBIT A

Legal Description

EXHIBIT B

Permitted Exceptions