

**SQUIRE, SANDERS & DEMPSEY L.L.P**

Robert A. Wolf (RW-3419)  
Andrea K. Fisher (AF-0150)  
1095 Avenue of the Americas  
New York, New York 10036  
(212) 407-0100

Hearing Date: December 11, 2008 @ 2:00 p.m.

Objection Date December 8, 2008 @ 5:00 p.m.

Substitute General Counsel to Robert L. Geltzer,  
as Chapter 7 Trustee of the Debtor

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

-----X	
In re:	: Chapter 7
	: :
<b>KOLLEL MATEH EFRAIM, LLC, a/k/a</b>	: Case No. 04-16410 (SMB)
<b>MATEH EPHRAIM LLC, a/k/a</b>	: :
<b>KOLEL MATEH EFRAIM,</b>	: :
	: :
Debtor.	: :
-----X	

**NOTICE OF AUCTION AND SALE HEARING**

PLEASE TAKE NOTICE THAT:

1. The Sale Procedures Order:<sup>1</sup> Pursuant to the Sale Procedures Order,<sup>2</sup> entered by the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”) on November 13, 2008, Robert L. Geltzer, as Chapter 7 Trustee (the “Trustee”) of the above-captioned debtor (the “Debtor”), will conduct an auction (the “Auction”) of all of the

<sup>1</sup> All capitalized terms not otherwise defined herein shall have the respective meanings ascribed to these terms in the Motion for Orders Pursuant to 11 U.S.C. §§ 105(a) and 363 and Fed. R. Bankr. P. 2002, 6004, and 9014 (I) (A) Approving Form of Sale Agreement with Mr. Chris Wohl, (B) Scheduling an Auction for Higher and Better Offers for the Property, (C) Approving Sale Procedures, (D) Scheduling an Auction and Sale Hearing, (E) Approving Manner and Form of Notices; and (II) Authorizing and Approving Sale and Related Relief (the “Motion”).

<sup>2</sup> This Notice is qualified in its entirety by the Sale Procedures Order. All persons and entities are urged to read the Sale Procedures Order and the provisions thereof carefully. To the extent this Notice is inconsistent with the Sale Procedures Order, the terms of the Sale Procedures Order shall govern.

right, title and interest of the Debtor's estate in and to two adjacent parcels of real property located at 1141 County Road 114, Cohecton, NY 12726,<sup>3</sup> including the land, improvements, tangible personal property and intangible personal property thereon, owned by the Debtor in fee simple absolute (the "Property"). The Trustee will sell the two parcels, comprising the Property, together or individually, whichever combination yields the highest and best bid(s) in aggregate, to the party(ies) making such bid(s) at the Auction.

2. The Sale: In accordance with the terms and conditions contained in the proposed form of Sale Agreement and the proposed form of Sale Order, and in accordance with the following Sale Procedures, which shall govern the solicitation of bids and overbids for the purchase of the Property, the Trustee will sell the Property to the bidder(s) making the highest and/or best bid(s) at the Auction, provided that such bid is higher and better than Chris Wohl's agreement to purchase the Property on the terms and conditions set forth in the Sale Agreement for \$115,000.

3. Auction: The Auction of the Property will be conducted by the Trustee at the United States Bankruptcy Court for the Southern District of New York, One Bowling Green, Courtroom 723, New York, New York 10004, on December 11, 2008. The Auction will commence at 2:00 p.m. The Auction will be open to all bidders and will be conducted pursuant to the following Sale Procedures:

---

<sup>3</sup> This is the street address for the larger parcel, Lot 45. The smaller parcel, Lot 47 is located immediately adjacent.

- (a) Auction: The Trustee intends to offer the Property for sale in the following order: (i) first, each of Lot 45 and Lot 47 individually, and (ii) second, the Property together as a package, and will sell the Property in whichever combination yields the highest and/or best bid or combination of bids, subject only to approval by this Court at the Sale Hearing. Notwithstanding the foregoing, the Trustee reserves the right to alter the order of the Auction and/ or to offer the Property for Sale in any other combination that yields the highest and best offer or offers, at his discretion, subject only to approval by this Court at the Sale Hearing.
- (b) Minimum Bids: The Minimum Bids for the Property shall be as follows:
- (i) Lot 45: The Minimum Bid for only Lot 45 will be \$95,000. Successive bids must be in increments of at least \$2,500 more than the previous bid.
- (ii) Lot 47: The Minimum Bid for only Lot 47 will be \$30,000. Successive bids must be in increments of at least \$2,500 more than the previous bid.
- (iii) Lots 45 and 47 Together: The Minimum Bid for Lots 45 and 47 together will be \$5,000 more than the aggregate amount of the highest bids for Lot 45 alone and Lot 47 alone, but in no event, shall the minimum bid for Lots 45 and 47 together be less than \$125,000. Successive bids must be in increments of at least \$5,000 more than the previous bid.

The Trustee reserves the right to decrease the requisite amount of any minimum bid and/or the requisite amount of any successive bid.

- (c) Deposit: Any initial bid to purchase the Property must be accompanied by certified check or bank check payable to "Robert L. Geltzer as Chapter 7 Trustee" from a bank acceptable to the Trustee located in New York State, in an amount equal to ten percent (10%) of any such bid (the "Deposit").
- (d) Financial Capacity of Bidder: At the time of its initial bid, each bidder must provide to the Trustee documents, in form and substance satisfactory to the Trustee in his discretion, demonstrating such bidder's financial capacity to consummate its proposed bid.
- (e) Bid: Each bid must (a) be irrevocable and (b) provide for a transaction that is not subject to any conditions, including, without limitation, the obtaining of financing or completion of any due diligence, subject to the Trustee's reservation of rights as set forth in paragraph (k) below.
- (f) No Collusion. By submitting its bid and participating in the Auction, each bidder is confirming that it has not engaged in any collusive behavior with respect to the submission of its bid and its participation in the Auction.

- (g) Designation of Successful Bidder(s): At the conclusion of the Auction, the Trustee, in his discretion, and subject to Bankruptcy Court approval, shall (i) identify the highest and/or best bid(s) for the Property (the “Successful Bid(s)”) and the second highest and/or best bid(s) for the Property (the “Runner Up Bid(s)”); and (ii) notify all bidders participating in the Auction at the conclusion of the Auction of the amounts, and of the name(s) of the makers of the Successful Bid(s) (the “Successful Bidder(s)”) and the Runner up Bid(s) (the “Runner Up Bidder(s)”).
- (h) Presentation of Successful Bid(s) to the Bankruptcy Court: At the Sale Hearing, the Trustee may present the Successful Bid(s) and the Runner Up Bid(s) to the Bankruptcy Court for approval. The Trustee’s presentation to the Bankruptcy Court for approval of any Successful Bid(s) does not constitute the Trustee’s acceptance of the Bid(s). The Trustee will be deemed to have accepted the Successful Bid(s) only when such bid has been approved by the Bankruptcy Court.
- (i) Obligation to Close: If the Successful Bidder(s) fails to close on the Sale in compliance with the final Sale Contract executed by the Successful Bidder(s) then the Trustee on behalf of the Debtor’s estate, the Trustee will have the right to close on the Runner Up Bid(s) and retain the Deposit of the Successful Bidder(s), as liquidated damages for all loss, damage and expense suffered by the Trustee (and not as a penalty). If the Runner Up Bidder(s) fails to close on the Sale in compliance with the final Sale Contract executed by the Runner Up Bidder(s), then the Trustee on behalf of the Debtor’s estate will have the right not to close on the Runner Up Bid(s) and retain the Deposit of the Runner Up Bidder(s), as liquidated damages for all loss, damage and expense suffered by the Trustee (and not as a penalty). In the event that both the Successful Bidder(s) and the Runner Up Bidder(s) fail to timely close on the Sale, the Trustee has the right not sell one or both parcels of the Property, without prejudice to his right to later seek to sell such parcel(s) of the Property upon further notice and a hearing.
- (j) Return of the Deposit: The Deposits of all bidders except those of the Successful Bidder(s) and the Runner up Bidder(s) shall be returned following the Auction. The Deposits of the Successful Bidder(s) and the Runner up Bidder(s) shall be retained by the Trustee, until the Sale is consummated. In the event that the Successful Bidder(s) consummates the sale, the Deposit of the Runner Up Bid(s) shall be returned by the Trustee following the consummation of the Sale.
- (k) Reservation of Trustee’s Rights: The Trustee reserves the right to withdraw one or both of the parcels of Property from Auction for any reason, including but not limited to insufficiency of the amount of the final bid(s) obtained at Auction and may withdraw one or both parcels of the

Property at any time prior to accepting the Successful Bid(s), as determined by the Trustee

- (l) Taxes – The Successful Bidder(s) and/or if applicable, the Runner-Up Bidder(s) will be exclusively responsible for the payment of any New York State transfer taxes and/or other taxes incurred in connection with the transfer of the Property by the Trustee, and for the filing of any tax form and other documentation required to be recorded in connection with the transfer.

4. The Sale Hearing: The Sale Hearing to approve the Sale of the Property to Chris Wohl or to the Successful Bidder(s) will be held on December 11, 2008 at 2:00 p.m., at the United States Bankruptcy Court for the Southern District of New York, One Bowling Green, New York, NY 10004-1408, before the Honorable Stuart M. Bernstein, United States Bankruptcy Judge (the “Bankruptcy Court”).

5. Objections to the Sale of the Property: Any objection to the entry of the Sale Order must be in writing, conform to the Federal Rules of Bankruptcy Procedure and the Local Rules of the United States Bankruptcy Court for the Southern District of New York, and must be (i) filed with the United States Bankruptcy Court for the Southern District of New York in accordance with General Order M-242 (a) electronically, by registered users of the Bankruptcy Court’s case filing system, and (b) on a 3.5 inch disk (preferably in Portable Document Format (PDF), WordPerfect or any other Windows-based word processing format), by all other parties in interest; (ii) submitted in hard-copy form directly to the chambers of the Honorable Stuart M. Bernstein, United States Bankruptcy Judge, at the Bankruptcy Court; and (iii) served upon (a) the Substitute General Counsel for Robert L. Geltzer, as Chapter 7 Trustee, Squire, Sanders & Dempsey L.L.P., 1095 Avenue of the Americas, New York, New York 10036, Attn: Robert A. Wolf, Esq.; and (b) the Office of the United States Trustee, 33 Whitehall Street, New York, New

York 10004 in each case so as to be received no later than 5:00 p.m. Eastern Time on December 8, 2008.

6. Copies of the Sale Procedures Order, the Sale Agreement and the Motion are available from Squire, Sanders & Dempsey L.L.P., 1095 Avenue of the Americas, New York, New York 10036, Attn: Robert A. Wolf, (212) 872-9800.

**BY ORDER OF THE COURT**

**SQUIRE, SANDERS & DEMPSEY L.L.P.**

Robert A. Wolf (RW-3419)  
Andrea K. Fisher (AF-0150)  
1095 Avenue of the Americas  
New York, New York 10036  
(212) 872-9800

Dated: November 13, 2008  
New York, New York

Substitute General Counsel for Robert L. Geltzer, as  
Chapter 7 Trustee of the Debtor