

TERMS AND CONDITIONS OF SALE

Bidding Procedures

In re Lori R. Rosenberg, aka Lori Roth Rosenberg, Case No.: 25-72728-las

- A. These terms and conditions of sale (the “Terms and Conditions of Sale”) are being promulgated in connection with the United States Bankruptcy Court, Eastern District of New York (the “Bankruptcy Court”) authorized auction sale (the “Sale”) of the Debtor’s (defined below) real property commonly known as 22 Suttonwood Drive, Commack, New York 11725; District: 0800; Section: 177.00; Block: 03.00; Lot: 040.00 County of Suffolk (the “Property”). The sellers of the Property are Alan Rosenberg (“Alan”) and Lori Rosenberg, as debtor in possession in a Chapter 11 bankruptcy case currently pending in the Bankruptcy Court under the caption and case number set forth above (the “Debtor” and Alan, collectively the “Seller”). The Debtor’s retained counsel is Rosen, Tsionis & Pizzo, PLLC (“RTP”), 38 New Street, Huntington, New York 11743, Attn: Nico G. Pizzo, Esq.; Telephone (631) 423-8527; Email npizzo@ajrlawny.com. The Debtor’s retained real estate broker and auctioneer is John Esturo, of Coldwell Banker American Homes (“Coldwell”), 1206 E. Jericho Tpke., Huntington, New York 11743, Attn: John Esturo; Telephone (516) 902-9494; email: John@HomesSoldByJohn.com; and website: johnesturo.cbamhomes.com.
- B. The Sale will take place on **June 23, 2026, at 11:00 a.m. (prevailing Eastern Time)**, or a different date to be determined by the Debtor in consultation with Coldwell, by videoconference using the Zoom platform or other comparable videoconference platform, with bidders to be advised by Coldwell as to how they may access the videoconference. Coldwell shall market the Sale date for a period not less than thirty (30) calendar days.
- C. Information regarding the Debtor’s sale of the Property may be obtained by contacting the Debtor’s counsel or Coldwell using the contact information set forth in paragraph “A” above, on Coldwell’s website at johnesturo.cbamhomes.com or the RTP website at ajrlawny.com.
- D. The Debtor has entered into a stalking horse contract with Valenciano Holdings LLC (the “Stalking Horse Bidder”). Some of the relevant terms of the stalking horse contract are as follows: (i) purchase price is \$7000,000.00; (ii) not subject to a mortgage contingency; and (iii) closing will take place within thirty (30) calendar days after Bankruptcy Court approval confirming the sale, time being of the essence as to the Successful Bidder (defined below). The opening bid at the Sale will be \$725,000.00.
- E. In order to be permitted to bid on the Property, and by no later than the bid deadline of **5:00 p.m. (prevailing Eastern Time) on June 19, 2026**, and as a condition to be able to bid at the Sale, each prospective bidder, except for the Stalking Horse Bidder, who are deemed to be qualified bidders, must: (i) register with the Debtor’s counsel, RTP; (ii) deliver to RTP the original signed Terms and Conditions of Sale;

and (iii) tender a bank check in the amount of \$72,500.00 (the “Qualifying Deposit”) made payable to “Avrum J. Rosen, as Escrowee.”, which amount shall serve as a good faith deposit against payment of the purchase price by such bidder in the event that such bidder is determined to have made the highest or best bid (the “Successful Bidder”).

- F. Within forty-eight (48) hours after the conclusion of the Sale, the Successful Bidder of the Property shall deliver to the Debtor a bank check which amount must be equal to ten (10%) percent of the successful bid, minus the Qualifying Deposit (together with the Qualifying Deposit, the “Deposit”). The Successful Bidder for the Property agrees to be bound by these Terms and Conditions of Sale and must execute a Memorandum of Sale within forty-eight (48) hours after the conclusion of the Sale. At the conclusion of the Sale, the Debtor, or her representative, will return the Qualifying Deposits to all other bidders. The Debtor, however, shall retain the Qualifying Deposit of the second highest bidder (the “Second Bidder”). Upon the conclusion of the closing of the sale to the Successful Bidder, the Deposit to the Second Bidder will be promptly returned without any further order from the Bankruptcy Court.
- G. **TIME BEING OF THE ESSENCE**, the Successful Bidder, or its assigns, must close title (the “Closing”) to the Property on a date (the “Closing Date”) that is not more than thirty (30) calendar days after the entry of an order of the Bankruptcy Court confirming the Sale, **TIME BEING OF THE ESSENCE AS TO THE SUCCESSFUL BIDDER, OR ITS ASSIGNS**. The Closing Date may be extended solely by the Debtor in her sole discretion. The Closing will take place using a method and at a location that is to be determined by the Debtor.
- H. The Bankruptcy Court, prior to the Closing, must enter an order confirming the sale of the Property.
- I. The Successful Bidder, or their assigns, shall be solely responsible for and shall pay all New York State, or other applicable real property transfer taxes incurred by the transfer of the Property by the Debtor’s estate at the Closing. The Successful Bidder, or their assigns, acknowledges that they will be responsible for the completion of any ACRIIS/transfer forms if required.
- J. In connection with the Closing and Closing Date, the Successful Bidder, or their assigns, is hereby given notice that **Time is of the Essence against the Successful Bidder, or their assigns, and the failure of the Successful Bidder, or their assigns, to close for any reason whatsoever (except as otherwise provided below) including their failure to pay the balance of the purchase price on the Closing Date, will result in the Seller retaining the Deposit as liquidated damages and the termination of the Successful Bidder’s, or their assigns’, right to acquire the Property under these Terms and Conditions of Sale.** The Successful Bidder, or their assigns, shall be obligated to close title to the Property and there is no contingency of any kind or nature that will permit the Successful

Bidder, or its assigns, to cancel or avoid **their** obligation under these Terms and Conditions of Sale other than the Debtor's inability to deliver insurable title to the Property. Further, the Successful Bidder, or their assigns, must demonstrate, to the satisfaction of the Debtor or the Bankruptcy Court, as the case may be, evidence of **their** ability to conclude the transaction upon these Terms and Conditions of Sale without delay. The Debtor reserves the right to reject any bidder/offeror who the Debtor, in her sole discretion, believes is not financially capable of consummating the purchase of the Property. **Expenses incurred by the Successful Bidder, or their assigns, or any competing bidder concerning the performance of any due diligence, such as obtaining title reports or environmental inspections, shall be the sole financial responsibility of such bidder, and under no circumstances shall the Debtor, or the Debtor's estate, or the Debtor's professionals, be liable or responsible for, or pay such expenses.**

- K. In the event that the Successful Bidder for the Property, or their assigns, fails to tender the balance of the purchase price on the Closing Date or otherwise perform **their** obligations under these Terms and Conditions of Sale, the Debtor, at his sole option, may immediately negotiate the Qualifying Deposit of the Second Bidder and shall be further authorized to sell the Property to the Second Bidder, or their assigns, without any further notice or approval of the Bankruptcy Court, without giving credit to the Second Bidder for the Deposit forfeited by the Successful Bidder, and upon such other terms and conditions as the Debtor deems appropriate. Should the Second Bidder, or their assigns, fail to close on the Property within twenty (20) calendar days of receiving notice from the Debtor, **TIME BEING OF THE ESSENCE** (at the address set forth on the bidder registration form), that said Second Bidder is now deemed the Successful Bidder, then the **Seller shall be: (a) authorized to keep the Qualifying Deposit of the Second Bidder as liquidated damages;** and (b) authorized but not obligated to sell the Property to the next highest bidder, without any further notice or approval of the Bankruptcy Court. The Second Bidder must close in accordance with the terms set forth in these Terms and Conditions of Sale.
- L. The Property is being sold and delivered **"AS IS", "WHERE IS", "WITH ALL FAULTS"**, without any representations, covenants, guarantees, or warranties of any kind or nature whatsoever, and free and clear of all monetary liens, claims and encumbrances of whatever kind or nature, such liens, claims, interests, and encumbrances, if any, to attach to the proceeds of sale in such order and priority as they existed immediately prior to the Sale date, and subject to, among other things: (a) any state of facts that an accurate survey may show; (b) any covenants, restrictions and easements of record; (c) any state of facts a physical inspection may show; (d) any building or zoning ordinances or other applicable municipal regulations and violations thereof except as set forth in the stalking horse contract; (e) environmental conditions; and (f) subject to all deed restrictions. By delivering their respective Qualifying Deposits, all bidders acknowledge that they have had the opportunity to review and inspect the Property, the state of title thereof and laws, rules and regulations applicable thereto, and the form of the Deed that the

Debtor will execute to convey the Property, and will rely solely thereon and on their own independent investigations and inspections of the Property in making their bids. All bidders acknowledge that they have conducted their own due diligence in connection with the Property and are not relying on any information provided by the Debtor, Coldwell, or the Debtor's retained professionals.

M. The Property shall be delivered vacant and free and clear of any and all existing tenancies and occupancies.

N. The Debtor, Coldwell and the Debtor's retained professionals have not made and do not make any representations or warranties with respect to the permissible uses of the Property, the physical condition, rents, leases, expenses, operations, value of the land or buildings thereon, number of building lots, use or any other matter or thing affecting or related to the Property or the Sale, that might be pertinent to the purchase of the Property, including, without limitation: (a) the current or future real estate tax liability, assessment or valuation of the Property; (b) the potential qualification of the Property for any and all benefits conferred by or available under federal, state or municipal laws, whether for subsidies, special real estate tax treatment, insurance, mortgages, or any other benefits, whether similar or dissimilar to those enumerated; (c) the compliance or non-compliance of the Property, in its current or any future state, with applicable current or future zoning ordinances or other land use law or regulation, or the ability of the owner of the Property to obtain a change in the zoning or use, or a variance in respect to the Property; (d) the availability of any financing for the purchase, alteration, rehabilitation or operation of the Property from any source, including, but not limited to, any state, city, local government or federal government or institutional lender; (e) the current or future use of the Property; (f) the present and future condition and operating state of any and all machinery or equipment in the Property and the present or future structural and physical condition of any building thereon or its suitability for rehabilitation or renovation; (g) the ownership or state of title of any personal property in the Property; (h) the presence or absence of any laws, ordinances, rules or regulations issued by any governmental authority, agency or board and any violations thereof; (i) any present or future issues concerning subdivision or non-subdivision of the Property; or (j) the compliance or non-compliance of the Property with environmental laws and the presence or absence of underground fuel storage tanks, any asbestos or other hazardous materials anywhere in the Property. Each bidder hereby expressly agrees and acknowledges that no such representations have been made. The Debtor and her retained professionals shall not be liable or bound in any manner by expressed or implied warranties, guaranties, promises, statements, representations or information pertaining to the Property, made or furnished by the Debtor or any real estate broker, agent, employee, servant or other person or professional representing or purporting to represent the Debtor unless such warranties, guaranties, promises, statements, representations or information are expressly and specifically set forth in a signed writing by the Debtor.

O. The Debtor shall convey the Property by delivery of a quitclaim deed. The quality

of title shall be that which a reputable title insurance company doing business in the State of New York is willing to approve and insure. At the Debtor's option, he may arrange for the issuance of a title insurance policy by a reputable title company if the Successful Bidder is unable to do so, at the sole cost and expense of the Successful Bidder.

- P. Nothing contained in these Terms and Conditions of Sale shall supersede or alter any provisions of Title 11 of the United States Code (the "Bankruptcy Code") and/or of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") or otherwise interfere with the jurisdiction of the Bankruptcy Court. To the extent of any conflict between the Bankruptcy Code and/or the Bankruptcy Rules and these Terms and Conditions of Sale, the Bankruptcy Code and/or the Bankruptcy Rules shall govern. All of the terms and conditions set forth in these Terms and Conditions of Sale are subject to modification as may be directed by the Debtor or by the Bankruptcy Court. The Debtor reserves the right to modify these Terms and Conditions of Sale at the Sale, or thereafter, to maintain consistency with the provisions of the Bankruptcy Code, Bankruptcy Rules, and/or orders of the Bankruptcy Court.
- Q. Neither the Debtor, Coldwell, the Debtor's retained professionals, nor the Debtor's estate are liable or responsible for the payment of fees of any broker or agent that has not been retained by an order of the Bankruptcy Court.
- R. These Terms and Conditions of Sale will be read into the record or specifically incorporated by reference at the Sale of the Property. By making a bid for the Property, all bidders shall be deemed to have acknowledged having read and understood these Terms and Conditions of Sale and have agreed to be bound by them.
- S. The Debtor shall be a party to the Sale of the Property. If the Debtor is unable to deliver title to the Property in accordance with these Terms and Conditions of Sale for any reason whatsoever, his only obligation will be to refund the Deposit to the Successful Bidder (or Second Bidder), and upon such refund, the Successful Bidder (or Second Bidder) will have no recourse or claim against the Debtor, the Debtor's retained professionals, or the Debtor's estate.
- T. The Debtor reserves her right to withdraw the Property from the Sale, either prior or subsequent to the auction, for any reason whatsoever, as she deems necessary or appropriate, and without notice.
- U. The Sale of the Property is subject to confirmation by the Bankruptcy Court. The Debtor or the Debtor's attorney will notify the Successful Bidder whether the Sale is confirmed. Any disputes concerning the Sale shall be determined by the Bankruptcy Court. By participating in the Sale, all bidders consent to the jurisdiction of the Bankruptcy Court to determine such disputes arising in the Debtor's pending case. The Successful Bidder/purchaser agrees to cooperate with

the Debtor in obtaining section 363(m) protection by submitting an appropriate affidavit/declaration as to the required elements of that statute. If the Successful Bidder/purchaser fails to seek 363(m) protection, or cooperate with the Debtor in seeking 363(m) protection, or fails to qualify for such a finding by the Bankruptcy Court, the Successful Bidder/purchaser shall close without the protections of section 363(m).

V. **By making a bid for the Property, all bidders shall be deemed to have acknowledged having read and understood these Terms and Conditions of Sale and have agreed to be bound by them.**

I have read these Terms and Conditions and agree to be bound by them. PLEASE PRINT THE FOLLOWING INFORMATION CLEARLY.

Date: _____

Bidder: _____

Signature: _____

Title: _____

Address: _____

E-Mail: _____

Phone No.: _____

Attorney Info (if any): _____