

LBR 6004-1

SALE OF ESTATE PROPERTY

- (a) Appraisals shall ordinarily be required prior to any sale not in the ordinary course of business unless the trustee or debtor-in-possession determines that such appraisal is not warranted under the facts of the case. Where appropriate, the trustee or debtor-in-possession may determine the value of any property by reference to current price guides used to determine the value of such property, unless otherwise directed by the court.
- (b) Appraisals shall be submitted to the court not later than noon on the day prior to the sale of the property in question. Each appraisal shall be kept under seal upon filing and treated as confidential. Access to the appraisal may be had only by the court, the United States Trustee, and such other parties as the court may direct. Unless otherwise authorized by the court, the appraisals shall be unsealed at the conclusion of the case.
- (c) No trustee, appraiser, or auctioneer, or officer, director, stockholder, agent, employee or relative of a trustee, appraiser or auctioneer, shall directly or indirectly purchase any of the property of any bankruptcy estate.
- (d) Unless otherwise ordered by the court: (1) assets of an estate shall not be sold on a percentage basis, i.e., on terms providing for the payment of a fixed percentage to creditors and expenses of administration; (2) a public sale shall be advertised at least **fourteen (14)** days before the sale, although the trustee may require further advertising; (3) the property to be sold shall be open to public inspection for such reasonable period prior to the sale as the trustee may determine; and (4) an auctioneer shall, before receiving bids, announce the terms of sale, including the statement that no sale is final without the approval of the trustee.
- (e) A purchaser at any public sale shall not be entitled to a refund on account of discrepancies between the assets offered for sale by the auctioneer and the assets as listed in the inventory. Any property which, because of reclamation proceedings or for other reasons, is not included in the sale, shall be set apart and conspicuously marked "not included in sale," and such fact shall be announced by the auctioneer before the sale. Except upon prior approval of the Court, only items constituting assets of the estate being administered shall be sold at any sale held pursuant to provisions of the Bankruptcy Code, and such sales shall not be conducted in conjunction with any non-bankruptcy sale.
- (f) When the trustee acts as auctioneer, he or she shall receive no compensation therefore in excess of the amount provided by the Bankruptcy Code for trustees.
- (g) Unless the court orders otherwise, trustees must be in attendance throughout all auction sales.
- (h) The sanctions which may be imposed for violation of this Rule, include, but are not limited to, the disqualification of a person from future employment on behalf of bankruptcy estates.