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UNITED STATES BANKRUPTCY COURT  
IN AND FOR THE EASTERN DISTRICT OF WASHINGTON

In re:	)	
	)	Case No. 04-08822-PCW-11
THE CATHOLIC BISHOP OF	)	
SPOKANE a/k/a THE CATHOLIC	)	
DIOCESE OF SPOKANE,	)	<b>DEBTOR'S MOTION TO</b>
	)	<b>SELL REAL PROPERTY</b>
	)	<b>LOCATED AT 707 N. CEDAR</b>
Debtor.	)	<b>STREET</b>
_____	)	

The Catholic Bishop of Spokane, a Washington corporation sole, the debtor and debtor-in-possession herein (the "Diocese" or the "Debtor"), by and through its undersigned attorneys, respectfully requests that the Court enter an Order authorizing the Debtor to sell certain real property located at 707 N. Cedar Street, Spokane, Washington, legally described as the South 20' of Lot 4

DEBTOR'S MOTION TO SELL REAL  
PROPERTY LOCATED AT 707 N. CEDAR  
STREET - 1

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1 and all of Lots 5 and 6 of Chandler Second Addition, Spokane, Spokane  
2 County, Washington (the "Property").  
3

4 **BACKGROUND**

5 2. The property formerly housed the St. Anne's Children's Home.  
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7 The property has been professionally marketed since September, 2003. The  
8  
9 Diocese has received an offer to purchase the Property for the sum of Three  
10  
11 Hundred Eighteen Thousand Dollars (\$318,000.00) from Mr. Ronnie Rae, and  
12  
13 Mr. Frank Cikutovich (the "Purchasers"). A true and correct copy of the Real  
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15 Estate Purchase and Sale Agreement ("Purchase and Sale Agreement")  
describing the Purchasers' offer ("Offer") is attached hereto as Exhibit A.

16 3. In addition to the Purchasers' Offer, the Diocese has received  
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18 other offers to purchase the Property. The Diocese has contacted each of the  
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20 other offerors and has advised them that the Diocese intends to sell the  
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22 Property to the Purchasers unless a better offer is submitted.  
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DEBTOR'S MOTION TO SELL REAL  
PROPERTY LOCATED AT 707 N. CEDAR  
STREET - 3

*PAINE, HAMBLÉN, COFFIN, BROOKE & MILLER LLP  
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1 refundable five (5) business days thereafter unless the Diocese again receives a  
2 written notice of the purchaser's intent to withdraw. The sale of the Property  
3 shall close no later than December 15, 2005, at which time the entire purchase  
4 price shall be paid to the Diocese.  
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7 5. The auction will be conducted at the offices of Paine Hamblen  
8 Coffin Brooke & Miller, LLP. Upon entry of an Order approving this Motion,  
9 the Diocese's real estate agent shall provide notice of the time and location of  
10 the auction to all persons who have submitted purchase offers on the Property  
11 or who have informed counsel for the Diocese of their intention to bid at  
12 auction. Any party who intends to bid at the auction must, prior to the auction,  
13 deposit \$5,000.00 earnest money with Hawkins & Edwards, Inc.  
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16  
17 6. The Property will be sold "where is, as is" and in compliance with  
18 the Real Estate Purchase and Sale Agreement attached hereto as Exhibit A to  
19 the extent that such is not otherwise modified by this motion and the Order  
20 approving said motion. The inspection contingency set forth in the Real  
21 Estate Purchase and Sale Agreement is waived as Purchasers will have had  
22 sufficient time to inspect the Property prior to the auction. A real estate  
23 commission of six percent (6.0%) will be split between the Diocese's real  
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1 estate agent, Hawkins & Edwards, Inc. (whose application for employment is  
2 pending) and the real estate agent representing the purchaser and/or successful  
3 bidder, if any.  
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6 **RELIEF REQUESTED**

7 6. The Debtor requests that the Court enter an Order (i) authorizing  
8 the sale of the Property "where is, as is"; (ii) ordering that the sale shall be free  
9 and clear of all liens, claims and interests, if any; (iii) authorizing the Debtor  
10 to enter into the Purchase and Sale Agreement and to take all steps necessary  
11 to consummate the transactions contemplated by the Purchase and Sale  
12 Agreement; (iv) waiving the ten-day waiting period set forth in Bankruptcy  
13 Rule 6004(g); (v) authorizing the payment of the commission earned by the  
14 Debtor's real estate agent, Hawkins & Edwards, Inc., upon closing of the sale  
15 of the Property, subject to the approval of the pending application to employ  
16 and compensate Hawkins & Edwards, Inc.; (vi) approving the auction and  
17 overbid procedures described above; and (vii) granting such other and further  
18 relief as the Court deems just and proper.  
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1 DATED this 20th day of October, 2005.

2 PAINE, HAMBLIN, COFFIN,  
3 BROOKE & MILLER, LLP  
4

5 By /s/ Michael J. Paukert  
6 Michael J. Paukert  
7 Shaun M. Cross  
8 Attorneys for the Catholic Bishop  
9 of Spokane a/k/a the Catholic  
10 Diocese of Spokane  
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29 DEBTOR'S MOTION TO SELL REAL  
30 PROPERTY LOCATED AT 707 N. CEDAR  
STREET - 6

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