

owed on the Properties and fund his proposed chapter 13 plan. The Trustee objected for various reasons that included clarification needed regarding disbursement of the proceeds upon closing. A more substantive objection to the Motion to Sell was made by the Clermont County Treasurer who argued that the Properties had already been sold at a sheriff sale that was conducted on July 29, 2025, the day after the Debtor's bankruptcy filing during a time that the Debtor's automatic stay was not in place. The sheriff sale has not yet been confirmed.

An evidentiary hearing on the Debtor's Motion to Sell, along with the Debtor's Motion to Impose Stay¹ [Docket Number 6], was held on September 16, 2025. At the hearing and in accordance with a separate Memorandum Opinion and Order, this Court concluded that the automatic stay would be imposed as to the Debtor's other creditors, but that the Clermont County Treasurer would be excluded from its scope. This Court concluded that the Clermont County Treasurer is thus free to exercise its state law rights, including seeking to confirm the sheriff sale that occurred on July 29, 2025. However, the Clermont County Treasurer indicated it has discretion in whether or not to take that action. Recognizing that discretion and determining that the sale to Mr. Deavers would be beneficial to the Debtor and the bankruptcy estate, this Court grants the Debtor's Motion to Sell to allow the Properties to be sold to Mr. Deavers contingent on a decision by the Clermont County Treasurer to file a motion to set aside the July 29, 2025 sheriff sale instead of a motion to confirm it.

I. FACTS

Prior to the Debtor's bankruptcy filing, the Debtor's Properties at 310 and 314 Susanna Way properties were scheduled to be sold at a sheriff sale on July 29, 2025 in state tax foreclosure

¹ This Court makes its determinations with respect to the Debtor's Motion to Impose Stay by separate memorandum opinion and order.

cases because the Debtor was delinquent in paying his real estate taxes to the Clermont County Treasurer [Creditor Clermont County Treasurer (“CR”) Exs. D-5 and E-5].² On July 28, 2025, the day prior to the scheduled sheriff sale, the Debtor filed a chapter 13 bankruptcy petition, the one initiating this current case. Because two of the Debtor’s prior bankruptcy cases had been dismissed within the year prior to the filing of this current case, no automatic stay went into effect and the sheriff sale proceeded. The Properties were sold at the sheriff sale to the highest bidders with bids totaling \$96,000 for 310 Susanna Way and \$90,000 for 314 Susanna Way [Debtor (“DR”) Exs. 12 and 14].³ The Clermont County Treasurer has not yet filed a motion to confirm the sale in the state court; instead, it entered an agreed order with the Debtor to hold off on taking such action until this Court could adjudicate the Debtor’s Motion to Impose the Stay [Docket Number 22].

Following the sheriff sale, the Debtor filed his Motion to Sell requesting authority from this Court to sell the Properties to another individual, William Deavers, for a total of \$240,000 [Docket Number 59, as amended]. The Debtor asserts that the offer was negotiated at arm’s length and the offer is fair and reasonable [*Id.* at ¶ 4].

At the September 16, 2025 evidentiary hearing, the Debtor, a retired pilot, testified to his history with the properties. He testified that the structures on the properties at 310 and 314 Susanna Way are historic homes built in the 1800s. The 310 Susanna Way property had been in his family since his father purchased it in 1951. The Debtor purchased 314 Susanna Way in the 1980s and

² The Clermont County Treasurer’s exhibits are filed with this Court at Docket Number 65. The Clermont County Treasurer’s Exhibits A – K were admitted at the hearing.

³ The Debtor’s exhibits are filed with this Court at Docket Numbers 67 and 72. Debtor’s Exhibits 1, 2, 3, 4, 6, 8, 9, 10, 11, 12, 13, 14, 15, 16, 18, 19, 21, 22, 24, 26 and 27 were admitted at the hearing.

used it as a bed and breakfast for 19 years until the COVID pandemic and disagreements with Clermont County and the Village of New Richmond made it too difficult to run the business.

On February 9, 2025, a fire occurred at the 310 Susanna Way property that required the response of multiple fire departments. At the time of the fire, the Debtor's brother was living at the property along with a family of four and another gentleman. They were evacuated. Following the fire, the fire department visited the other property, 314 Susanna Way, and saw stabilizers holding up the second floor and kerosene heaters and generators that were a carbon monoxide and safety hazard. At the hearing, the Debtor testified that renters were living in both structures up until the February 9, 2025 fire.

David Stigler, the Assistant Fire Chief for New Richmond, testified to pictures entered into evidence showing extensive fire damage to the first floor of 310 Susanna Way following the February 9, 2025 fire [CR Exs. J and K]. He testified to the existence of serious structural and electrical safety hazards at both 310 and 314 Susanna Way, including a hydraulic jack used to hold up the stairwell and wood beams and cinderblocks holding up the first floor of 314 Susanna Way. Mr. Steigler noted that because of the unsafe conditions and hazards at both Properties, no one was permitted to reside in them. The Debtor admitted that repairs needed to be made to the buildings but denied that they were significant or structural in nature. He admitted that neither structure currently has utilities, including electrical power or water.

Ron Sears, a certified residential appraiser with twenty-five years of experience, provided appraisals for the 310 and 314 Susanna Way Properties. He inspected both properties and noted that the foundations of older buildings like these are thick and solid. He stated his belief that both the 310 and 314 Susanna Way properties could be rehabilitated. He valued the 310 Susanna Way property at \$140,000 [DR Ex. 11] and the 314 Susanna Way property at \$150,000 [DR Ex. 13].

Mr. Sears testified that an offer of \$240,000 for both properties would be fair given the amount of renovation needed that could total more than \$110,000 for the Properties.

William Deavers testified regarding his offer to purchase the Debtor's Properties for \$240,000 in cash. He grew up in New Richmond and loves the history of the area. He is a successful businessman in the entertainment industry and testified that he has over \$3,000,000 available in cash. In August of 2025, Mr. Deavers signed a letter of intent [DR. Ex. 1] and thereafter enter into a contract for the purchase of the Properties at the \$240,000 price [DR Ex. 2]. As part of the proposed transaction, Mr. Deavers agreed to lease a private bedroom and bathroom back to the Debtor rent-free for the rest of the Debtor's life. Mr. Deavers rehabilitated residential buildings in the past, including a bed and breakfast in Bethel, and testified that he has no doubt that the Debtor's Properties are capable of being rehabilitated. If the sale is consummated, he stated that he will start rehabilitating the Properties immediately including abating the code violations first so that the county will be satisfied.

Mr. Joshua Koltak, the attorney for Minster Bank, a secured creditor with a lien against the 310 Susanna Way property, confirmed the bank's support for selling the Properties to Mr. Deavers. Mr. Koltak stated that Minster Bank agreed to take \$85,000 from the private sale, at which point it would release its liens and consider the matter closed. The Trustee confirmed that the sale and agreement from Minster Bank would allow the Debtor to fund his proposed chapter 13 plan paying creditors 100% on their claims [Docket Number 51]. The Trustee noted that her objection to the Motion to Sell was resolved and that the Trustee no longer opposed the motion.

During the evidentiary hearing, the Clermont County Treasurer testified to the Debtor's real estate tax delinquencies, which date back to at least 2007, and that sheriff sales of the Debtor's Properties had been scheduled to occur on five different occasions. Each attempted sale, except

the last one, was prevented by the Debtor's successive bankruptcy filings. Because the last sheriff sale on July 29, 2025 went forward and the Properties were sold to the highest bidders, the Clermont County Treasurer would like to proceed with confirming the sale. However, counsel for the Clermont County Treasurer noted that it has discretion to file a motion to set aside the foreclosure judgments and the sales to those bidders.

II. LEGAL ANALYSIS

Pursuant to 11 U.S.C. § 1303 and § 363(b), a chapter 13 debtor may sell property of the estate outside the ordinary course of business, after notice and hearing, provided certain conditions are met. In evaluating motions to sell, courts consider whether the terms of the sale reflect the best offer for the assets, whether the negotiations are at arm's length, and whether the sale is in the best interest of the estate and its creditors. *See Junk v. CitiMortgage, Inc. (In re Junk)*, 512 B.R. 584, 610 (Bankr. S.D. Ohio 2014), *aff'd*, 2015 U.S. Dist. LEXIS 201792, 2015 WL 14025962 (S.D. Ohio Aug. 28, 2015), *aff'd*, 2016 U.S. App. LEXIS 25426, 2016 WL 11900483 (6th Cir. May 19, 2016).

In this instance, the Debtor proposes to sell the properties at 310 and 314 Susanna Way to William Deavers for \$240,000, a proposed transaction that the Debtor asserts was negotiated at arm's length. This offer is \$54,000 more than what was offered by the highest bidders at the July 29, 2025 sheriff sale. With the agreement of Minster Bank to take \$85,000 in full satisfaction of its liens, the sale to Mr. Deavers would generate proceeds sufficient to pay all real estate taxes owed and liens against the Properties and would fund the Debtor's chapter 13 plan, which proposes to pay all claims, secured and unsecured, at 100%.⁴ This is a proposal that Debtor's counsel

⁴ A debtor may propose to sell property of the estate or property of the debtor to help fund the payment of claims through a chapter 13 plan. See 11 U.S.C. § 1322(b)(8).

describes as a “win-win” because all creditors, including the Clermont County Treasurer which objected to the Debtor’s Motion to Sell, would be paid in full. In addition, Mr. Deavers promises to immediately begin rehabilitating the Properties and abating the code violations on them to the satisfaction of the county.

This Court agrees with Debtor counsel that the proposed sale to Mr. Deavers appears to be a “win-win” situation that would meet the requirements of 11 U.S.C. § 363(b). No party disputes that adequate notice of the sale has been given, and that Mr. Deavers’ offer was negotiated at arm’s length. The proposed purchase price, \$240,000, is substantially more than the highest bids at the sheriff sale. Considering the Properties’ appraised values, condition, and, particularly, their need for rehabilitation, this Court concludes that Mr. Deavers offer is fair and reasonable. Furthermore, because the sale would generate proceeds sufficient to fund the Debtor’s proposed chapter 13 plan paying all creditors 100% of what is owed on their claims, the sale is in the best interests of the estate and creditors. Minster Bank, a secured creditor with a lien on one of the Properties, indicated its support for the Debtor’s Motion to Sell and the Trustee’s objection has been resolved.

Nonetheless, this Court cannot ignore the fact that the sheriff sale of the Properties proceeded, as scheduled, on July 29, 2025 because no automatic stay was in place. At the sheriff sale, the Properties were sold to the highest bidders for a total of \$186,000. Furthermore, as detailed in this Court’s *Memorandum Opinion in Support of the Order Imposing the Automatic Stay Under 11 U.S.C. § 362 as to All Creditors and Parties in Interest Except the Clermont County Treasurer*, the automatic stay will not be imposed against the Clermont County Treasurer. This provides the Clermont County Treasurer with the freedom to exercise its state law rights, including its right to seek confirmation of the sales of the Properties to the highest bidders at the sheriff sale, if it so chooses.

Accordingly, this Court will grant the Debtor's Motion to Sell, but only on a contingent basis. If the Clermont County Treasurer seeks confirmation of the sales of the Properties to the highest bidders at the sheriff sale, and the state court subsequently confirms those sales, then the Debtor's Motion to Sell is moot and shall be denied. If, instead, the Clermont County Treasurer moves to set aside the sheriff sale in order to allow the Debtor to sell the Properties to Mr. Deavers, and that relief is granted by the state court, then the Motion to Sell is granted in full and the sale to Mr. Deavers may proceed.

One concern that the Clermont County Treasurer has noted with respect to the Motion to Sell is whether the prospective purchaser would be required to abate the code violations on the Properties. Accordingly, if the Clermont County Treasurer wishes to negotiate with Mr. Deavers to ensure that a proposed sale to him would result in both the full payment of the property taxes owed and the abatement of the code violations on the Properties, that negotiation process may proceed.

For these reasons, the Debtor's Motion to Sell [Docket Number 59] is granted on the contingent basis set forth in this order. The parties shall file a joint status report within 30 days to advise this Court on the status of the sale of the Properties.

SO ORDERED.

Distribution List:

Default List Plus

Mr. William Deavers
543 Sugar Maple Ct.
Cincinnati, OH 45255