

SO ORDERED,

Judge Katharine M. Samson United States Bankruptcy Judge Date Signed: January 8, 2025

The Order of the Court is set forth below. The docket reflects the date entered.

UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF MISSISSIPPI

IN RE: IKECHUKWU H. OKORIE

CASE NO. 19-50379-KMS

DEBTOR CHAPTER 7

ORDER DENYING MOTIONS TO VOID ORDERS AUTHORIZING SALES OF REAL PROPERTY (DKT. ## 1199, 1200, 1201, 1209)

Before the Court are the Motions to Void Orders Authorizing Sale of Real Property filed by Debtor Ikechukwu H. Okorie.¹ ECF Nos. 1199, 1200, 1201, 1209. Responses were filed by Wells Fargo Bank (ECF No. 1332), the Chapter 7 Trustee (ECF Nos. 1333, 1334, 1335, 1336), Harris County (ECF No. 1257), Alief Independent School District and West Keegans Bayou Improvement District (ECF No. 1259). Replies were filed by Dr. Okorie. ECF Nos. 1347, 1348, 1349, 1350, 1351). Dr. Okorie's motions are without factual or legal basis, are time-barred, barred by res judicata, and must be denied.

FINDINGS OF FACT

An in-depth analysis of the facts regarding Dr. Okorie's bankruptcy can be found in this Court's Opinion and Order on Debtor's Objections to Claims, ECF No. 932, incorporated herein by reference. The following facts are relevant to the Motions:

¹ The orders authorized sales of property in Destin, Florida; Mercer County, New Jersey; Houston, Texas; and Hattiesburg, Mississippi.

On February 27, 2019, Dr. Okorie filed his individual petition for relief under chapter 11 of the Bankruptcy Code. ECF No. 1. On February 17, 2021, after spending two years in chapter 11 without confirming a plan, Dr. Okorie voluntarily converted his case to chapter 7. ECF Nos. 334, 339.

Upon conversion, Kimberly R. Lentz ("Trustee") was appointed chapter 7 Trustee. ECF No. 340. She immediately began gathering and liquidating assets of the estate, including property in Hattiesburg ("Hattiesburg Property"), a condo in Destin ("Destin Condo"), a house in New Jersey ("New Jersey Property"), and a house in Houston, Texas ("Houston Property"). The Trustee filed motions to sell the Hattiesburg Property, Destin Condo, New Jersey Property, and the Houston Property. ECF Nos. 419, 381, 528, 436. Notice of the Hattiesburg, Destin, and Houston motions was provided to both Dr. Okorie and his counsel, Patrick Sheehan.² ECF Nos. 421, 383, 438. No one, including Dr. Okorie, objected to those sale motions. So, orders authorizing the sales were entered, and notice of the orders was provided.³ ECF Nos. 428, 430 (Hattiesburg Property); ECF Nos. 400, 401 (Destin Condo); ECF Nos. 441, 442 (Houston Property).

Dr. Okorie, without assistance of counsel, objected to the sale of the New Jersey property, arguing that the property belonged to Royal Oaks Rental Properties LLC,⁴ not him, and that his wife, although no longer a member of Royal Oaks, had not waived her "marital interest" in the Royal Oaks properties. ECF No. 536. A title report obtained by the Trustee indicated that Dr. Okorie owned the New Jersey property outright. ECF No. 540-1 at 2. At hearing, the Court

² Sheehan withdraw as Debtor's counsel prior to the sale motion on the New Jersey Property. ECF Nos. 488, 491.

³ Okorie's Chapter 7 Statement of Intention indicated his intent to surrender the Hattiesburg and Houston Properties as well as the Destin Condo. ECF. No. 365.

⁴ At one time, Royal Oaks was owned by Dr. Okorie and his wife. Mot. Convert Hr'g Tr., ECF No. 326 at 53-55. Dr. Okorie transferred all the Royal Oaks properties into his name before filing this case. *Id.* at 53, 55; Am. Sch. A/B, ECF No. 61 at 4-6.

overruled Dr. Okorie's objections, and an order approving the sale was entered on June 17, 2022. ECF No. 554. Dr. Okorie did not appeal this or any other sale order.

Dr. Okorie received his chapter 7 discharge on October 5, 2021. ECF No. 447. He waited almost two years after the last sale order was entered to file his motions to void the sales. His motions generically assert that the properties were undervalued, there were unspecified conflicts of interest, lack of notice, and fraud under 11 U.S.C. § 363(n). See, e.g., ECF No. 1199 at 2. Dr. Okorie also continues his baseless attacks against the Trustee, and in one motion against Wells Fargo. See ECF No. 1209 at 2.

CONCLUSIONS OF LAW

As this Court has previously explained, "[a] chapter 7 trustee is charged with collecting property of the estate, reducing the property to money and closing the estate as expeditiously as possible." Order Den. Mots. for Violation of the Automatic Stay, ECF No. 1058 at 4 (*citing* 11 U.S.C. § 704(a)(1)). Sales of property of the bankruptcy estate are governed by 11 U.S.C. § 363(b)(1) ("trustee, after notice and a hearing, may . . . sell . . . property of the [bankruptcy] estate"). Here, the Trustee filed her sale motions pursuant to Section 363 and the Court entered the required sale orders. *See* 11 U.S.C. § 363(b); *Gluckstadt Holdings, L.L.C. v. VCR I, L.L.C.* (*In re VCR I, L.L.C.*), 922 F.3d 323, 326 (5th Cir. 2019) (sale free and clear of liens under § 363 requires court approval).

Dr. Okorie seeks relief from the sale orders under Section 363(n) which states that a "**trustee** may avoid a sale under this section if the sale price was controlled by an agreement among potential bidders at such sale" *See* 11 U.S.C. § 363(n) (emphasis added).⁵ But, Dr. Okorie is

⁵ Section 363(n) only addresses collusive bidding which is not an issue here. *See Collier on Bankruptcy* ¶ 363.12 (Richard Levin & Henry J. Sommer eds., 16th ed.).

"not the 'trustee' and, as a result, he lacks standing to file and pursue a claim under § 363(n)." *In re Butan Valley, N.V.*, Adv. No. 09-3291, 2009 WL 5205343, at *2 (S.D. Tex. Dec. 23, 2009).

Bankruptcy court orders authorizing the sale of estate assets are final orders on the merits. *Bank of Lafayette v. Baudoin*, 981 F.2d 736, 742 (5th Cir. 1993); *Collier on Bankruptcy* ¶ 5.08[2] (Richard Levin & Henry J. Sommer eds., 16th ed.) (order approving sale of estate property has been held to be final order). Absent an appeal or resort to Section 363(n), Rule 60(b) of the Federal Rules of Civil Procedure is the vehicle to set aside a final order confirming a Section 363 sale. *See* 11 U.S.C. § 363(n); Fed. R. Civ. P. 60(b) (applicable by Fed. R. Bankr. P. 9024); *TransUnion Risk* & *Alt. Data Sols., Inc. v. The Best One, Inc. (In re TLFO, LLC)*, 572 B.R. 391, 430 (Bankr. S.D. Fla. 2016) ("In the absence of an appeal of a final sale order, the only manner in which a sale order may be challenged is through Rule 60(b).").

Under Rule 60(b) relief can be granted if there is evidence of "fraud... misrepresentation, or misconduct by an opposing party." Fed. R. Civ. P. 60(b)(3). But, even if there were an indication of fraud or misconduct, which is not the case here, "[a] motion under Rule 60(b) must be made within a reasonable time—and for reasons (1), (2), and (3) no more than a year after the entry of the judgment or order or the date of the proceeding." Fed. R. Civ. P. 60(c)(1). Dr. Okorie's motions alleging fraud and misconduct were filed well after one year from the dates of entry of the sale orders and are time barred.

This Court has previously addressed Dr. Okorie's claims against the Trustee finding that she performed her statutory duties and that there was no factual or legal basis for the misconduct allegations against her. *See* Op. and Order on Debtor's Objs. to Cls., ECF Nos. 932 at 20; Order Granting Mot. for Sanctions, 1198 at 6-11. Likewise, the Court overruled Dr. Okorie's objection

to Wells Fargo's claim. ECF No. 932 at 16, 23-25, 29. Dr. Okorie's continued attempts to relitigate his claims against both are barred by res judicata. *See In re Baudoin*, 981 F.2d at 739-40.

ORDER

For the reasons stated above, the Motions to Void Orders Authorizing Sales are **DENIED.**##END OF ORDER##