

The logo for "VICAR GENERAL'S CORNER" is a square with a decorative border. The text "VICAR GENERAL'S CORNER" is written in a serif font, with "VICAR" on the top line, "GENERAL'S" on the second line, and "CORNER" on the third line. The background of the logo is dark, and the text is light.

## VICAR GENERAL'S CORNER

### Bankruptcy Update: June 30, 2021

Well, it's (past) time for a summer update on the bankruptcy. There haven't been a lot of new developments in the last month or so, but that certainly doesn't mean things have been idle.

Archdiocesan properties (these are separate from parish properties) have been on the market, and brokers are working on those sales—title problems, competing offers, surveys taken, etc., taking up most of the time. But...work progresses.

As you've been informed previously, the bankruptcy settlement also depends on very significant contributions from the parishes—both in money and unessential properties. Many persons very understandably balk at this. But, to explain the predicament in a nutshell, if the settlement amount is not reached, then lawsuits will likely proceed against individual parishes, resulting in much greater costs for those parishes...resulting in the loss of those same properties and funds that they thought they were "saving." People rightfully complain: "WE didn't do any of those evil things!" Well...join the club; no one now in ministry did either, and yet this is the legal situation that we're in. In the end, parishes not only potentially harm only themselves by not contributing (or holding back) to the settlement, but endanger ALL parishes in the archdiocese. So...many thanks and blessings to the many parishes which have given, and given generously.

Some have also challenged: "*Why is our parish giving THIS much, and that parish giving only THAT much!?!*" But the financial and property situation of each parish is unique; some HAVE more funds/property to spare. Some older parishes, for example, have been given properties for decades, if not centuries. And urban parishes generally have more money than rural parishes, which are often "living on a prayer."

What's taking a lot of time right now is preparing the non-essential properties of the archdiocese and parishes to go to auction. That involves a LOT more than simply putting them on a publicized list: titles have to be found, reviewed and sometimes fixed (some of them very old and sketchy), surveys scheduled where necessary, prices determined for minimum opening bids, data entry, etc., as well as ensuring that all restrictions imposed by the bankruptcy court are followed. With hundreds of properties going up for sale, that's a lot of work! And each county has its own regulations that have to be met. As soon as the auction company has a final approved list, they'll begin advertising and marketing. The auction company assures us that there will be several weeks of advertising before the auction so potential buyers will have enough time to review. The website will be [www.ASFbankruptcyauction.com](http://www.ASFbankruptcyauction.com).

The auction was initially scheduled for July 21, but the title company being utilized is having to do a lot more work than expected, so right now the date is "pending." The auction house assures us they'll advertise it widely and with plenty of warning so that all interested parties can look at what they might want to bid on.

The auction company writes: "*...our marketing plan [will combine] traditional and digital advertising to include but not limited to: national, regional and local newspaper ads with digital ads on their websites for longer shelf life, direct mail, signage, public relations, electronic portal advertising on real estate industry websites, custom email blasts every 10 days, business journals, Multiple Listing Service, geo-fencing, Google ad word search, and social media designed to drive all interested parties to the website for all the information needed to participate.*"

Some persons have asked if parishioners would get preferred consideration for their parish properties at auction. We wish we could, but we're required to get maximum auction value for properties, and that requires full exposure/bids from everyone.

Is the bankruptcy over if we meet the archdiocese's settlement requirement? Probably not yet. We're not allowed to be specific, but a normal procedure in such cases is that negotiations with insurance companies would come after that, as both contributions together normally make up the total settlement.

What happens if the bankruptcy settlement falls through after the sale of the properties? The parishes keep the proceeds of the sales; they will likely need them should lawsuits proceed against parishes—very possibly then having to sell not only unessential properties, but perhaps even essential properties for legal costs and settlements (parish halls, even churches). That's a reason it's important to settle this case.

In all of this, we should never forget that claimants have been living with the nightmare of past abuse for decades. While the vast majority of perpetrators are now deceased, victims' pain continues, and in charity we should all have empathy for their tragic plight. It's not "us" against "them," but rather we as a people of God helping those who have suffered the physical and mental trauma that most of us can only thank God never entered our own lives. Parishes can rebuild, but these persons are scarred for life, and we pray that God recompenses them for their suffering a thousandfold in eternity.