

Entered: July 15th, 2022

Signed: July 15th, 2022

SO ORDERED



Michelle M. Harner
MICHELLE M. HARNER
U.S. BANKRUPTCY JUDGE

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MARYLAND
(Baltimore Division)**

In re: *
*
CITY HOMES III, LLC * BANKR. CASE NO: 13-25370-MMH
*
Debtors *
* * * * *

**ORDER GRANTING
MOTION FOR APPROVAL OF SETTLEMENT AGREEMENT
BETWEEN PLAN TRUSTEE AND ELIGIBLE LEAD PAINT CLAIMANTS
REGARDING ALLOCATION OF
LIBERTY MUTUAL MID-ATLANTIC INSURANCE CO. SETTLEMENT TRUST**

UPON CONSIDERATION of the *Motion for Approval of Settlement Agreement Between Plan Trustee and Eligible Lead Paint Claimants Regarding Allocation of Liberty Mutual Mid-Atlantic Insurance Co. Settlement Trust* (the "Motion to Approve") filed by Zvi Guttman, the Plan Trustee for the captioned post-confirmation debtor, and its post-confirmation debtor and non-debtor affiliates¹ (the "Plan Trustee"), pursuant to which the

¹ City Homes Management, LLC; City Homes Bretton LLC; City Homes III LLC; City Homes Johnston Square LLC; City Homes Newington LLC; City Homes Ocala LLC; City Homes Patriots II LLC; City Homes Peabody LLC; City Homes Royalton LLC; City Homes East Business Trust; City Homes West Business Trust; City Homes Central I Business Trust; City Homes Central II Business Trust; City Homes Central III Business Trust; City Homes Central IV Business Trust; City Homes Central V Business Trust; City Homes Patriots I, LLC; City Homes Patriots III LLC; City Homes Patriots IV LLC; City Homes Patriots V LLC; City Homes Central I, LLC; City Homes Office Business Trust. As used herein, the term "City Homes" encompasses and is co-extensive with (a) the Debtors, the Non-Debtor Affiliates, the

Plan Trustee seeks the authority and approval to enter into, and perform under, a settlement agreement (the "Agreement," a copy of which is attached as Exhibit A to the Motion)² with "Eligible Lead Paint Claimants," and the Court finding that the Plan Trustee has exercised reasonable business judgement in entering the Agreement and the relief requested therein should be granted as fair, reasonable, and in the best interests of the Estate, and, after due deliberation and sufficient cause appearing therefor, the Court hereby makes the following findings of fact and conclusions of law:

Findings of Fact and Conclusions of Law

A. The findings and conclusions set forth herein constitute the Court's findings of fact and conclusions of law pursuant to Fed. R. Bankr. P. 7052, made applicable to this proceeding pursuant to Fed. R. Bankr. P. 9014. To the extent any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.

B. The Court has jurisdiction over the Motion pursuant to 28 U.S.C. §§ 157 and 1334, and this matter is a core proceeding pursuant to 28 U.S.C. §§ 157(b)(2)(A), (N) and (O). Venue of this Chapter 11 Case and the Motion in this district is proper under 28 U.S.C. §§ 1408 and 1409.

C. This Order constitutes a final and immediately appealable order within the meaning of 28 U.S.C. § 158(a).

D. It is necessary and appropriate for the Court to retain jurisdiction to, among other things, interpret and enforce the terms and provisions of this Order and the Agreement, and to adjudicate, if necessary, any and all disputes arising under, or relating in any way to, or affecting, any of the transactions contemplated under the Agreement. Such jurisdiction shall be retained, even if the case is closed, and the Chapter 11 Case may be reopened for such purpose.

E. (i) Notice of the Motion to Approve, the Agreement, and the settlement therein contained, and a reasonable opportunity to object or be heard with respect to

Reorganized Debtors, the Estates of the Debtors, and the debtors in possession as those terms are defined in the Plan or the Bankruptcy Code.

² Capitalized terms used herein, that are not otherwise defined, have the meanings ascribed in the Agreement or the Motion.

the foregoing, has been provided in accordance with the Bankruptcy Code, the Bankruptcy Rules, the Local Bankruptcy Rules of the United States Bankruptcy Court for the District of Maryland; (ii) Such notice was proper, timely, adequate, and appropriate under the circumstances; and (iii) no other or further notice of the Motion, the Agreement or the settlement therein contained is, or shall be, required.

F. The Agreement was negotiated and proposed, and has been entered into, by the Plan Trustee and the Eligible Lead Paint Claimants in good faith, from arms' length bargaining positions, and without fraud or collusion.

G. The relief requested in the Motion is in the best interests of the Plan Trustee, City Homes, and City Homes' creditors, including all Lead Paint Claimants. The Plan Trustee has demonstrated good, sufficient, and sound business purposes, cause, and justifications for the relief requested in the Motion and the approval of the transactions contemplated thereby and the Court adopts and approves of the Plan Trustee's business judgment to enter into the Agreement.

H. The Plan Trustee has due and proper authority to enter into the Agreement and perform all of the obligations thereunder. No consents or approvals, other than entry of this Order, are required for the Plan Trustee to perform all of his obligations thereunder.

I. The pro rata allocation of the Settlement Trust among the Eligible Lead paint Claimants is fair, equitable and appropriate.

For all of the foregoing reasons, and after due deliberation, **IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:**

1. The Motion is GRANTED and APPROVED in all respects, and objections thereto, if any, are overruled.

2. The Agreement and each of its terms and conditions, and any agreements, documents, and instruments executed by agreement of the Parties in connection with, or pursuant to, the Agreement, are hereby approved in their entirety. The failure specifically to include any particular provision of the Agreement in this Order shall not diminish or impair the effectiveness of such provision, as it is the intent of the Court that the Agreement be authorized and approved in its entirety.

3. Section 3 of the Agreement notwithstanding, distribution thereunder shall be conditioned on each Eligible Lead Paint Claimant compliance with Section 9 of the

Trustee's Settlement Agreement and Mutual Releases with Liberty Mutual Mid-Atlantic Insurance Company.

4. The Parties to the Agreement are each authorized to take all actions and execute all documents and instruments that they deem necessary or appropriate to implement and effectuate the transactions contemplated by the Agreement.

5. This Court shall retain jurisdiction to, among other things, interpret and enforce the terms and provisions of this Order and the Agreement, and to adjudicate, if necessary, to the extent provided under 28 U.S.C. § 1334(b), any and all disputes, arising from, or relating to, the Agreement or this Order.

Suggested Distribution List:

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END OF ORDER