



**IT IS ORDERED as set forth below:**

**Date: March 15, 2016**

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**W. Homer Drake  
U.S. Bankruptcy Court Judge**

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IN THE UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF GEORGIA  
NEWNAN DIVISION

IN RE: :  
: CASE NO. 15-10135-WHD  
FOURTH QUARTER PROPERTIES 86, LLC, :  
: CHAPTER 11  
Debtor. :  
:

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**ORDER CONFIRMING AMENDED LIQUIDATING  
PLAN OF REORGANIZATION DATED DECEMBER 23, 2015**

The *Amended Liquidating Plan of Reorganization of Fourth Quarter Properties 86, LLC dated December 23, 2015* [Dkt. No. 141] (the “**Plan**”), having come before this Court at a hearing for confirmation held on February 2, 2016; and

The Plan having been transmitted to all creditors, equity security holders and the United States Trustee in accordance with Federal Rule of Bankruptcy Procedure 3017; and

It appears the Plan provides for three (3) classes of secured claims; two (2) classes of unsecured claims; one (1) class of subordinated claims and one (1) class of equity interests. The Ballot Report filed in connection with the Plan [Dkt. No. 163] revealed the following:

<b>Class 1 – Impaired</b>	<b>Votes (#)</b>	<b>Accept (#)</b>	<b>Reject (#)</b>	<b>Accept (\$)</b>	<b>Reject (\$)</b>	<b>Result</b>
Sublette County Treasurer	1	1	0	\$8,216.68	\$0	Accepted
<b>Class 2 – Impaired</b>	<b>Votes (#)</b>	<b>Accept (#)</b>	<b>Reject (#)</b>	<b>Accept (\$)</b>	<b>Reject (\$)</b>	<b>Result</b>
MLIC Asset Holdings, LLC and MLIC CB Holdings, LLC	1	0	1	\$0	\$26,817,815.96	Rejected
<b>Class 3 – Impaired</b>	<b>Votes (#)</b>	<b>Accept (#)</b>	<b>Reject (#)</b>	<b>Accept (\$)</b>	<b>Reject (\$)</b>	<b>Result</b>
John D. Phillips	1	1	0	\$28,051,076.56	\$0	Accepted
<b>Class 4 - Impaired</b>	<b>Votes (#)</b>	<b>Accept (#)</b>	<b>Reject (#)</b>	<b>Accept (\$)</b>	<b>Reject (\$)</b>	<b>Result</b>
Non-Tax Priority Claims	0	0	0	\$0	\$0	Not Voted
<b>Class 5 - Impaired</b>	<b>Votes (#)</b>	<b>Accept (#)</b>	<b>Reject (#)</b>	<b>Accept (\$)</b>	<b>Reject (\$)</b>	<b>Result</b>
Cushing, Morris, Armbruster & Montgomery, LLP	1	1	0	\$2,797.35	\$0	Accepted
<b>Class 6 - Impaired</b>	<b>Votes (#)</b>	<b>Accept (#)</b>	<b>Reject (#)</b>	<b>Accept (\$)</b>	<b>Reject (\$)</b>	<b>Result</b>
Fourth Quarter Properties 100, LLC	1	1	0	\$14,158,035.88	\$0	Accepted
Fourth Quarter Properties VII, LLC	1	1	0	\$293,093.60	\$0	Accepted
Fourth Quarter Properties XLI, LLC	1	1	0	\$25,000.00	\$0	Accepted
Fourth Quarter Properties XXXII, LLC	1	1	0	\$4,665,922.50	\$0	Accepted
<b>Class 7</b>	<b>Votes (#)</b>	<b>Accept (#)</b>	<b>Reject (#)</b>	<b>Accept (\$)</b>	<b>Reject (\$)</b>	<b>Result</b>
Equity Interest Holders of the Debtor	0	0	0	\$0	\$0	Not Voted

The Debtor having announced the following clarifications and modifications to the Plan, in response to objections and requests made by creditors in Classes 2 and 3, which clarifications, along with additional statements made on the record, were agreed to in open court by such parties, :

1. Section 3.2.3 of the Plan is deleted and replaced with the following:

**3.2.3 Treatment of Claims in Class 2.** The Allowed Secured Claims of MLIC Asset Holdings, LLC and MLIC CB Holdings, LLC in the stipulated amount of \$26,817,815.96 as of the Petition Date, plus interest at the non-default rate of 5% per annum accrued from the Petition Date to the Closing Date, plus post-petition reasonable attorney’s fees and costs subject to review and approval by the Debtor, and less adequate protection payments made prior to the Closing Date, collateralized by a security interest in the Real Property is included in Class 2 and shall be paid in full on the Effective Date from the Net Proceeds from the sale of the Real Property. The Real Property collateralizing any Allowed Secured Claim in Class 2 shall be sold, under this Plan, free and clear of liens, claims, or interests pursuant to 11 U.S.C. § 1123(b)(4), with such liens claims or interest attaching to the proceeds of the sale, and the Debtor and any holder of any Allowed Secured Claim in Class 2 shall comply with 11 U.S.C. § 1142(b) with respect to the

transfer of the Real Property free and clear of liens, claims, and interests. In the event the proposed sale of the Real Property does not close on or before October 31, 2016, the Real Property shall continue to be governed by the terms of that certain Consent Order dated December 2, 2015 [Dkt. No. 136] between the Debtor and MetLife. If the Real Property does not sell for an amount in excess of the Allowed Amount of the Allowed Secured Claim in Class 2 as provided herein, the Net Proceeds of the Sale will be paid to the holder of the Class 2 Allowed Secured Claim, and the balance of the Allowed Claim in Class 2, including accrued but unpaid interest will be included in Class 5 and paid as provided for Allowed Claims in such Class. No provision of this Plan shall impair the credit bid rights of the holder of the Class 2 Claim or the right of the Debtor to contest the amount of any deficiency claim included in Class 5. Except as provided in Section 4.2.9 of the Plan, and in this Order, the Plan shall not be deemed or construed to impair the rights, powers, or remedies available to the Class 2 claimant, whether under the Class 2 claimant's loan, transaction documents, or Pre-Petition Wyoming Judgment, at law, or in equity, against any non-debtor (including, without limitation, any co-maker of any note, any guarantor, or any other co-obligor of the Debtor) with respect to the indebtedness giving rise to the Allowed Class 2 Claim.

2. Section 3.2.4 of the Plan is deleted and replaced with the following:

**3.2.4 Treatment of Claims in Class 3.** The Allowed Claim of John D. Phillips in the stipulated amount of \$28,051,076.56 as of the Petition Date, collateralized by a second position security interest in the Real Property, is included in Class 3. The Real Property collateralizing any Allowed Secured Claim in Class 3 shall be sold, under this Plan, free and clear of liens, claims, or interests pursuant to 11 U.S.C. § 1123(b)(4), with such liens claims or interest attaching to the proceeds of the sale, and the Debtor and any holder of any Allowed Secured Claim in Class 3 shall comply with 11 U.S.C. § 1142(b) with respect to the transfer of the Real Property free and clear of liens, claims, and interests. Any Net Proceeds of such sale in excess of the amount payable to the holder of the Allowed Secured Claim in Class 2 hereunder, shall be paid to the holder of any Allowed Secured Claim in Class 3 on the Effective Date. Claims in Class 3 are not designated to be paid in full under this Plan. To the extent Net Proceeds from the sale of the Real Property are insufficient to pay the Class 3 claim in full, any deficiency will be treated as a Class 5 Claim. In the event of Surrender, Class 3 shall only be entitled to distribution pursuant to Class 5. No provision of this Plan shall be construed to impair or limit the credit bid rights or other rights of the holder of the Allowed Claim in Class 3 with respect to any other collateral for such claim pledged by non-debtors, or with respect to Guarantors or non-debtor obligors of such Allowed Claim. Notwithstanding any provision of the Plan to the contrary, neither the Plan, nor the Class 3 claimant's acceptance of the Plan, shall be deemed or construed to impair the rights, powers, or remedies available to the Class 3 claimant, whether under the Class 3 claimant's loan or transaction documents, at law, or in equity, against any non-debtor (including, without limitation, any co-maker of any note, any guarantor, or any other co-obligor of the Debtor) with respect to the indebtedness giving rise to the Allowed Class 3 Claim, or any collateral for such claim pledged by non-debtors.

3. Section 6.5.6.2 is deleted and replaced with the following:

**6.5.6.2 Objection Deadlines.** Except as otherwise specified herein (including, without limitation, with respect to Administrative Claims, Fee Claims, and Executory Contract Claims), objections to Claims shall be Filed with the Bankruptcy Court and served upon Creditors by the Claims Objection Bar Date, which shall be no later than 60 days after the service of the Confirmation Order or 60 days after such Claim is Filed or amended, whichever date is later, provided, however, that this deadline may be extended by the Bankruptcy Court upon motion of the Debtor, without notice or a hearing. After an order, judgment, decree or settlement agreement allowing a Disputed Claim becomes a Final Order, Distributions with respect to and on account of such previously Disputed Claim will be made on or before the time of the next scheduled distribution to holders of Allowed Claims in the Class in which the previously Disputed Claim is allowed.

4. The definition of “**Claims Objection Bar Date**” in Paragraph 1.26 of Schedule 1 of the Plan is hereby amended to read as follows:

1.26 “**Claims Objection Bar Date**” means with respect to Proofs of Claim filed on or before the Court’s Bar Date, the later of 60 days after the Confirmation Date, or 60 days following the filing of any amendment to such Proofs of Claim; (b) with respect to Rejection Claims and other Proofs of Claim filed or amended after the Court’s Bar Date, the later of 60 days following the Confirmation Date or 90 days following the Filing of, or the filing of an amendment to, such Proof of Claim.

5. Section 8.4 is deleted and replaced with the following:

**8.4 Terms Binding/Novation.** Upon the entry of the Confirmation Order, pursuant to 11 U.S.C. §1141(a), all provisions of this Plan, including all agreements, instruments and other documents filed in connection with this Plan and executed by the Debtor in connection with this Plan, shall be binding upon the Debtor, any entity acquiring property under the Plan, all Claim and Equity Interest Holders, the Guarantor, and all other Persons that are affected in any manner by this Plan, and this Plan shall novate and replace all Pre-petition agreements between the Debtor and such parties, except as otherwise provided in this Plan, this Order or as provided in that certain consent order dated December 2, 2015 [Dkt. No. 136] between the Debtor and MetLife.

6. Section 4.2.4 of the Plan is amended to read as follows:

**4.2.4 Overview of Duties of the Debtor.** The Debtor shall be empowered to and shall liquidate all real and personal property of the Estate and may engage brokers, auctioneers, and other professionals as may, in the judgment of the Debtor, be necessary for liquidating the Assets in an efficient and cost-effective manner. The Debtor shall market the Real Property through a licensed broker and will attempt to

achieve a sale between the Confirmation Date and October 31, 2016 (the “Marketing Period”). The Debtor may market the Personal Property in tandem with the Real Property or separately. The Debtor shall provide all marketing updates received by the Reorganized Debtor to the holders of Allowed Secured Claims during the Marketing Period, and shall advise all holders of Allowed Secured Claims of any and all written offers for the real or personal property, within three (3) days of receipt by the Debtor during the Marketing Period. The Debtor shall not accept or reject any offer until at least seven (7) days after forwarding said offer to counsel for the holders of Allowed Secured Claims, unless the Class 2 holder of Allowed Secured Claim notifies Debtor that it has no opposition to Debtor's acceptance of the offer. The Debtor shall notify the holders of Allowed Secured Claims within twenty-four (24) hours of acceptance of any offer for the real property and provide sufficient information and details to enable the holders of Allowed Secured Claims to exercise their credit bid rights, if appropriate, as preserved under the Plan. All information provided by the Debtor to Parties in Interest pursuant to this Paragraph shall be kept confidential by the recipients thereof, and any filing with the Court during the Marketing Period arising out of or related to such information shall be filed under seal. If the Real Property and Personal Property are purchased by a common purchaser, the Debtor shall allocate the purchase price between the Real Property and Personal Property for purposes of the closing of the sale, any tax reporting in connection with the sale, and for purposes of determining distributions under this Plan. If the Personal Property does not sell in tandem with the Real Property or otherwise by October 31, 2016, the Debtor may arrange for the sale, for cash, of such Personal Property by private sale or public auction, employing such professionals as necessary to consummate such sale, and shall distribute the proceeds of such sale as provided under this Plan. The Debtor shall make all distributions required to be made under this Plan, and the Debtor shall be authorized and empowered to fully act as of the Confirmation Date, including without limitation, to (a) prosecute, settle or release all Causes of Action which the Debtor deems pursuit of to be prudent and cost effective, in accordance with the best interest of and for the benefit of the Creditors entitled to receive distributions under the Plan; (b) liquidate the Assets, including through any pending sale motions initiated by the Debtor, but not consummated as of the Confirmation Date or otherwise; (c) prosecute objections to Claims; (d) supervise the marketing and sale of the Property; (e) resolve Disputed Claims; (f) make distributions to the holders of Allowed Administrative Claims, Allowed Priority Tax Claims, and holders of other Allowed Claims (as their respective interests may appear in accordance with this Plan) in as prompt, efficient and orderly fashion as possible in accordance with the Plan; (g) perform administrative services related to the implementation of this Plan; (h) employ attorneys and other Professionals, as further set forth below, to assist in fulfilling the Debtor’s obligations under the Plan; and (i) otherwise act in accordance with this Plan and orders of the Bankruptcy Court.

The Court having determined that the modifications and clarifications set forth above do not adversely change the treatment of a claim of any creditor, and such modifications having

been consented to and accepted in open court by the effected classes, the Plan as modified hereby is deemed accepted as authorized by Federal Rule of Bankruptcy Procedure 3019(a); and

This Court having determined, solely in connection with the channeling injunction regarding the Guarantor provided under Paragraph 4.2.9 of the Plan:

(a) The Debtor and the Guarantor share an identity of interest, such that a suit against the Guarantor or the Affiliates, such that a suit against the Guarantor or Affiliates is, in essence, a suit against the Debtor and would impair their ability to fund operating shortfalls, thereby jeopardizing consummation;

(b) the Guarantor has committed to contribute such assets as may be necessary to ensure consummation of this Plan;

(c) the Guarantor holds indemnity rights against the Debtor such that collection of an Allowed Claim through levy upon Guarantor's assets will not diminish claims which must be provided for under this Plan;

(d) the Guarantor has accepted this Plan and committed to fund shortfalls as necessary until the Closing; and to the extent holders of Allowed Guarantor Claims have not accepted the Plan, the Plan is fair and equitable with respect to such Classes and does not unfairly discriminate against such Classes;

(e) the Plan proposes to pay all Allowed Guarantor Claims in full, and is feasible;

(f) the Plan preserves the post-judgment remedies of Holders of Allowed Guarantor Claims;

(g) this Plan provision may be implemented under this Plan without the necessity of an adversary proceeding, and the Confirmation Order is sufficient to implement this provision under 11 U.S.C. § 1141; and

(h) The channeling injunction provided under Paragraph 4.2.9 of the Plan is intended to and shall continue only during the Marketing Period, following which it shall be deemed lifted; and

The Court having determined that the requirements for confirmation set forth in 11 U.S.C. § 1129 have been satisfied with respect to the Plan, as modified hereby;

IT IS THEREFORE ORDERED THAT:

The Debtor's Plan, as modified herein, is CONFIRMED; and it is

FURTHER ORDERED that the terms and provisions of the confirmed Plan are incorporated herein and made a part of this Order; and it is

FURTHER ORDERED that in the event any provision of the Plan conflicts with the terms of the Order, the terms of this Order shall control; and it is

FURTHER ORDERED that this Order shall be effective as of the date and time of entry in accordance with Federal Rule of Bankruptcy Procedure 3020(e).

FURTHER ORDERED that within three (3) business days of the entry of this Order, Debtor's counsel shall serve a copy of this Order on (a) the Office of the United States Trustee; (b) parties who have requested notice or copies of such matters in this Bankruptcy Case; and (c) all other creditors and parties-in-interest in this Bankruptcy Case.

**\*\*\*END OF DOCUMENT\*\*\***

**Order Prepared and Submitted By:**

/s/ Ward Stone, Jr.

Ward Stone, Jr.

Georgia Bar No. 684630

Matthew S. Cathey

Georgia Bar No. 759547

Stone & Baxter, LLP

Suite 800, Fickling & Co. Building

577 Mulberry Street

Macon, Georgia 31201

(478) 750-9898

(478) 750-9899 (fax)

Attorneys for Debtor

**Distribution List:**

R. Jeneane Treace, Esq.  
Office of the United States Trustee  
75 Spring Street, S.W., Room 362  
Atlanta, Georgia 30303

Ward Stone, Jr., Esq.  
Matthew S. Cathey, Esq.  
Stone & Baxter, LLP  
577 Mulberry St., Suite 800  
Macon, Georgia 31201

Fourth Quarter Properties 86, LLC  
45 Ansley Drive  
Newnan, Georgia 30263

Gary A. Barnes, Esq.  
Kathleen G. Furr, Esq.  
Ron C. Bingham, II, Esq.  
Baker, Donelson, Bearman,  
Caldwell & Berkowitz, P.C.  
1600 Monarch Plaza  
3414 Peachtree Road, N.E.  
Atlanta, Georgia 30326

David Whitridge, Esq.  
Thompson, O'Brien, Kemp & Nasuti, P.C.  
40 Technology Parkway South, Suite 300  
Norcross, Georgia 30092

C. Edward Dobbs, Esq.  
Parker, Hudson, Rainer & Dobbs LLP  
1500 Marquis Two Tower  
285 Peachtree Center Avenue, N.E.  
Atlanta, Georgia 30303

Ryan K. McLemore, Esq.  
Ryan McLemore Law  
449 Chelsea Circle, NE  
Atlanta, Georgia 30307