

**UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF ALABAMA**

IN RE:

CV Settlement Holdings, LLC

Case No. 14-03731

Debtor.

**MOTION TO SELL PROPERTY FREE AND CLEAR OF LIENS
UNDER SECTION 363 OF THE BANKRUPTCY CODE**

Comes now Debtor, CV Settlement Holdings, LLC, by and through its counsel, and requests the Court authorize, pursuant to Section 363(b) and (f), and Bankruptcy Rule of Procedure 6004(c), the private sale of certain real property of this Estate and as grounds therefor would show as follows:

1. Debtor purposes to sell to Truland Homes, LLC, (the "Purchaser") Lots 31, 32, 34, 22, 23, 25, 27, 29, 10, 11, 17, 18, 20 and 2 of Cypress Village Subdivision, a Planned Unit Development; and Units 1, 19, 20, 58, 52, 53, 56, 61, 63, 65, 2, 4, 5, 7, 13, 14, 16, 17, 22, 23, and 48 of Cypress Village Subdivision, a Planned Unit Development for the amounts pursuant to the terms and conditions stated in the Agreement for the Purchase and Sale of Real Property attached hereto as Exhibit "A".

2. To the best of the Debtor's knowledge, information, and belief, the following parties claim a lien, mortgage, encumbrance, or other interest:

a) Beatus Investment, LLC jointly holds a first mortgage on said property in the approximate amount of \$954,213.00;

b) Burns, Cunningham & Mackey jointly holds a first mortgage on said property in the approximate amount of \$1,942,223.00; and

c) Teddy J. Faust, Baldwin County Revenue Commissioner, hold a lien to secure payment of property taxes for the subject property.

d) Portside Realty, LLC claims to have a lien on said property in an unknown. Debtor disputes the validity of this lien.

3. The Debtor alleges that it is entitled to sell the Property free and clear of the above listed lienholders, with the liens to attach to the proceeds of the sale pursuant to Sections 363(b) and 363(f)(4) and 363(f)(5) of the Bankruptcy Code. The lien set forth in paragraph 2(d) is the subject of bona fide dispute. The Debtor avers that the paragraph 2(d) claimed lien is, in reality, a burdensome executory contract which the Debtor has rejected, and is the subject of an Adversary Proceeding by Debtor (AP 15-00029) in which Debtor sets forth additional grounds asserting in invalidity of the paragraph 2(d) lien.

4. The Debtor believes that the sale of the Property is in the best interest of the Estate, in that, the transaction will further reduce the debt owed to the first mortgage holder which will benefit the Debtor and the other potential lienholders should their claimed liens hereafter be determined to be valid encumbrances, and will benefit the other creditors of the Estate, by reducing the secured claims which must be paid prior to distributions to junior classes of creditors.

5. The purchase price represents the best and highest offer that the Debtor has received for the property.

6. The Debtors believe that the Purchaser is purchasing the Property in good faith, and that the Purchaser is entitled to the benefits of Section 363(m).

7. The Purchase Agreement and the purchase price of the Property is an arms-length transaction between unrelated parties, and was not controlled by an agreement among potential purchasers.

8. The Property does not include "personally identifiable information" nor is this transaction subject to the Clayton Act.

9. The Debtors propose to pay the closing costs and property taxes at closing and will reserve from the closing proceeds the fees due pursuant to 28 U.S.C. Section 1930 (the Bankruptcy Administrator BA-2 quarterly fees) and a reserve for earned and approved but not paid attorneys' fees for Debtor's counsel, with the balance to be paid to the first lienholder at closing. However, in the event the Debtor has an objection to the amount of the payoff statement received from any party asserting a right to payment or objects to the lienholders or interest holders claims, then the Debtor may escrow the amount stated in the payoff statement of the holder to whom the objection is made and proceed with closing. The escrowed funds will be disbursed only pursuant to an Order of the Court.

WILKINS, BANKESTER, BILES & WYNNE, P.A.

By: /s/ Marion E. Wynne, Jr.
MARION E. WYNNE, JR.
Attorney for Debtors
P.O. Box 1367
Fairhope, Alabama 36533
251- 928-1915
twynne@wbbwlaw.com

CERTIFICATE OF SERVICE

I certify that on the 13th day of September, 2016, a true and correct copy of the above and foregoing pleading was filed electronically in the bankruptcy Court for the Southern District of Alabama. Notice of this filing will be sent to all parties by operation of the Court's electronic filing system. Parties may access the filing through the Court's electronic filing system. I additionally certify that I have served a copy of the foregoing pleading by email to the following parties:

Beatus Investments, LLC, via email to its attorney, Richard Davis at rdavis@davis-fields.com

Burns, Cunningham & Mackey, PC, via email to its attorney, Jeffery J. Hartley at jih@helmsinglaw.com

Portside Realty, LLC, via email to its attorneys, Sam McKerral at lawyer3413@gmail.com and Jason Osborn at josborn@osborngroupllc.com

Teddy Faust, Baldwin County Revenue Commissioner, via email at tfaust@baldwincountyal.gov.

/s/ Marion E. Wynne, Jr.

MARION E. WYNNE, JR.

**AGREEMENT FOR THE PURCHASE AND SALE
OF REAL PROPERTY**

THIS AGREEMENT (the "Agreement") is made and entered into as of the ___ day of _____, 2016, (the "Effective Date") by and between CV SETTLEMENT HOLDINGS, LLC (the "Seller") and TRULAND HOMES, LLC, or assigns (the "Purchaser").

WITNESSETH

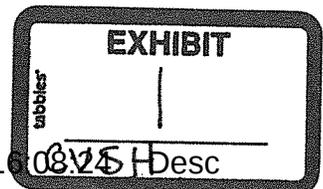
WHEREAS, Seller owns Lots 31, 32, 34, 22, 23, 25, 27, 29, 10, 11, 17, 18 and 20 ("Larger Lots") of Cypress Village Subdivision, a Planned Unit Development, Filing No. Three; Units 1, 19, 20, 58, 52, 53, 56, 59, 61, 63, 65, 2, 4, 5, 7, 13, 14, 16, 17, 22, 23, and 48 ("Condo Lots") of Cypress Village Courtyard Cottages, a Condominium; and Lot 2 of Cypress Village Subdivision, a Planned Unit Development, Filing No. Three ("Future Development Land") (The Larger Lots and the Condo Lots are sometimes herein called the "Property.")

WHEREAS, Purchaser desires to purchase from Seller, and Seller desires to sell, transfer, and assign to Purchaser, such real property on the terms and conditions hereinafter set forth.

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants and agreement herein contained, and intending to be legally bound, the parties hereto agree as follows:

**ARTICLE I
BUY and SELL, PRICES, and CLOSING DATES**

1.1 Property. Purchaser shall purchase and accept from Seller, and Seller shall sell, transfer and assign to Purchaser, for the Purchase Prices hereinafter set forth, and upon and subject to all of the terms and conditions contained herein, the Larger Lots and the Condo Lots in accordance with the following:



Larger Lot Number	Condo Lot Number	Purchase Price per Lot	Outside Closing Date for this Lot
31, 32, and 34		\$ 40,000.00	15 days after Effective Date of Final Non-Appealable Order
22, 23, 25, 27, and 29		\$ 40,000.00	Later of 12/31/2016 and 10 days after Effective Date of Final Non-Appealable Order
	1, 19, 20, and 58	\$ 36,000.00	Later of 12/31/2016 and 120 days after Effective Date of Final Non-Appealable Order
10, 11, 17, 18 and 20		\$ 42,000.00	Later of 12/31/2017 and 180 days after Effective Date of Final Non-Appealable Order
	52, 53, 56, 59, 61, 63, and 65	\$ 38,000.00	Later of 12/31/2017 and 240 days after Effective Date of Final Non-Appealable Order
	2, 4, 5, 7, 13, 14, 16, 17, 22, 23, and 48	\$ 40,000.00	Later of 12/31/2018 and 300 days after Effective Date of Final Non-Appealable Order

Included are all rights and appurtenances pertaining thereto, including, without limitation, all easements, right, title and interest in and to any adjacent roads, streets, alleys or rights-of-way, and all development rights and any other entitlements relating thereto.

ARTICLE II EARNEST MONEY

2.1 Earnest Money Deposit. Within five (5) business days after the Effective Date, the Purchaser shall deposit the sum of Ten Thousand (\$10,000.00) with Southern Land Title, Inc. (the "Escrow Agent"), as earnest money (the "Earnest Money") to guarantee the faithful performance by Purchaser hereunder and to be applied to the Purchase Price at the last Closing to occur pursuant to Section 1.1. The term "Earnest Money" wherever used in this Agreement shall include any interest earned on the Earnest Money.

**ARTICLE III
DELIVERIES TO PURCHASER**

3.1 Title Commitment. Within ten (10) days following the entry of an order approving this sale by the United States Bankruptcy Court for the Southern District of Alabama, Seller, at Seller's expense, shall cause to be delivered to Purchaser a binding commitment to issue an owner's policy of title insurance (the "Title Commitment") issued by Southern Land Title, Inc. (the "Title Company") in the current ALTA standard Form B. In the Title Commitment, the Title Company shall agree to insure (the "Title Insurance Policy") merchantable title to the Land and Improvements in the name of the Purchaser, free and clear of all liens and encumbrances, subject to the following:

1. Right of way from Marion Clizbe to Baldwin County dated April 27, 1911 and recorded in Deed Book 22, Page 280 (as pertains to easement).
2. Easement from Gulf Coast Properties, Inc., to Alabama Electric Cooperative, Inc., as referenced in that certain document dated August 12, 2002 and recorded at Instrument #676368.
3. Right of way granted Baldwin County by instrument dated January 31, 1946 and recorded in Deed Book 126, Page 181 (as pertains to easement).
4. Subdivision regulations by the City of Orange Beach, Alabama as recorded at Instrument #1028536 and any amendments thereto. City of Orange Beach Community Preservation and Growth management Plan filed August 7, 2007 at Instrument #1066859, and all amendments thereto.
5. Restrictive covenants, easements, building setback lines and other matters shown on subdivision of Cypress Village Subdivision, a Planned Unit Development, Filing No. Three, recorded as Slide #2489A and B and all amendments thereto.
6. Easement granted Baldwin County Electric Membership Corporation at Instrument #1016402 and Instrument #1019927.
7. Master Declaration of Covenants, Conditions and Restrictions for Cypress Village recorded at Instrument #1019654.
8. Articles of Incorporation of Cypress Village Master Association, Inc., recorded at Instrument #1022431.
9. Bylaws of Cypress Village Master Association, Inc., recorded at Instrument #1022435.
10. Articles of Incorporation of Cypress Village Property Owners Association, Inc., recorded at Instrument #1022463.
11. Bylaws of Cypress Village Property Owners Association, Inc., recorded at Instrument #1022465.

12. Amendment to Master PUD Documents for Cypress Village and Agreements dated August 7, 2013 and recorded at Instrument #1413922.
13. Easement, Right to Use and Agreement dated August 7, 2013 and recorded at Instrument #1413923.
14. Amendment to the Master Declaration of Covenants, Conditions and Restrictions for Cypress Village dated November 13, 2013 and recorded at Instrument #1429586.

("Permitted Exceptions").

ARTICLE IV CONDITIONS TO CLOSING

4.1 Conditions to Purchaser's Obligation to Close. The obligation of Purchaser to consummate the transaction contemplated by this Agreement is subject to the satisfaction on the Closing Date of the following conditions precedent:

(a) Compliance with This Agreement. Seller shall have performed and complied with all terms, provisions, covenants, obligations, conditions, and agreements required by this Agreement.

(b) Court Approval. Seller shall have obtained an order from the United States Bankruptcy Court for the Southern District of Alabama (the "Bankruptcy Court") approving this sale, under which the Purchaser shall be able to acquire the Property free and clear of all liens, encumbrances, leases and claims of Seller's creditors and all appeal periods shall have elapsed, in the case of CV SETTLEMENT HOLDINGS, LLC, Case Number 14-03731 ("Effective Date of Final Non-Appealable Order").

(c) Closing Documents. Seller shall have delivered to Purchase the items set forth in Section 5.2 of this Agreement.

If any of Purchaser's conditions have not been satisfied in full at the Closing, or have not been waived in writing by it, Purchaser may elect to cancel and terminate this Agreement, in which event the Earnest Money shall be returned to Purchaser and this Agreement shall be null and void, and the parties shall have no further obligation or liability to each other hereunder.

4.2 Conditions to Seller's Obligation to Close. The obligation of Seller to consummate the transaction contemplated by this Agreement is subject to the satisfaction on the Closing Date of the following conditions precedent:

(a) Representations and Warranties True at Closing. The representations and warranties of Purchaser contained in this Agreement shall be true on the Closing Date in all material respects as though such representations and warranties were made on, and as of, such date.

(b) Compliance with this Agreement. Purchaser shall have performed and complied with all terms, provisions, covenants, obligations, conditions, and agreements required by this Agreement.

(c) Closing Documents. Purchaser shall have delivered to Seller the items set forth in Section 5.3 of this Agreement.

ARTICLE V CLOSING

5.1 Time and Place. The time and location of the Closings shall be mutually agreed upon by Seller and Purchaser but in accordance with the schedule set forth in Section 1.1.

5.2 Items to be Delivered at Closing by Seller . At or prior to each Closing, Seller shall deliver or cause to be delivered to Purchaser, through escrow or directly to the Purchaser, each of the following items:

(a) A deed (the "Deed") conveying to the Purchaser marketable fee simple title to the Land and Improvements, subject only to the Permitted Exceptions;

(b) Updated Title Commitment, subject only to the Permitted Exceptions;

(c) Such release documents as are necessary to fully release the property from any lien and effect of any and all mortgages, financing instruments, and other liens and any encumbrances, covenants or restrictions affecting the use of the property;

(d) Any reasonable and customary documents and instruments that the Title Company may reasonably require in order to issue the Title Insurance Policy;

(e) A copy of the Order of the Bankruptcy Court approving this sale;

(f) Such other documents and instruments as may be necessary, incidental or appropriate to effectuate the purchase and sale transaction contemplated by this Agreement.

(g) A closing statement prepared by the Closing Agent and executed by the Seller.

5.3 Items to be Delivered at Closing by Purchaser. At or prior to Closing, Purchaser shall deliver or cause to be delivered to Seller, through escrow or directly to the Seller, each of the following items:

(a) The Purchase Price in cash, by cashier's check, certified check or in other immediately available funds;

(b) Any reasonable and customary documents and instruments that the Title Company may reasonably require in order to issue the Title Insurance Policy;

(c) Such other documents and instruments as may be necessary, incidental or appropriate to effectuate the purchase and sale transaction contemplated by this Agreement;

(d) A closing statement prepared by the Closing Agent and executed by the Purchaser.

5.4 Possession. Possession of the Property is to be given to Purchaser on the Closing Date.

**ARTICLE VI
CLOSING COSTS AND PRORATIONS**

6.1 Expenses of Closing. The expenses of each Closing shall be paid in the following manner:

(a) Seller shall pay: (i) the cost of obtaining the Title Commitment and of the Title Insurance Policy, (ii) the costs of preparing, executing, and acknowledging the Deed and other documents to be delivered at Closing by Seller pursuant to Section 5.2 of this Agreement.

(b) Purchaser shall pay: (I) the cost of recording the Deed, including any deed taxes; (ii) the costs of preparing, executing, and acknowledging the documents to be delivered at Closing by Purchaser pursuant to Section 5.3 of this Agreement; (iii) the escrow fee or closing fee imposed by the Closing Agent incident to the Closing; and (iv) the cost of any endorsements to the Owners' Policy of Title Insurance requested by the Purchaser and the entire cost of any loan policy of title insurance.

All other costs, fees, and expenses, including but not limited to the parties' legal expenses, accounting and consulting fees, and other incidental expenses in connection with this transaction, shall be paid by the party incurring the same.

6.2 Proration of Taxes. All ad valorem taxes, personal property taxes, and special assessments (collectively, the "Taxes") levied or assessed against the Property will be paid by Seller if due and payable on or before the Closing Date, and will be paid by Purchaser if due and payable thereafter; provided, however, that the Taxes for the tax fiscal year in which the Closing occurs (the "Tax Proration Period") shall be prorated between Seller and Purchaser on and as of the Closing Date, and Seller will bear only that portion of such Taxes which the number of days in the Tax Proration Period to and including the Closing Date bears to the total number of days in the Tax Proration Period. Purchaser expressly acknowledges and agrees that any and all special assessments to which the Property is subject which are payable in installments will continue to be paid in installments, and Seller will be obligated to pay only those installments which are due and payable on or before the Closing Date, and Purchase assumes and agrees to pay all installments thereof and all other Taxes which are due and payable after the Closing Date.

6.3 Brokerage Commission. Each party represents that it not represented by a real estate broker in this transaction and that it is unaware of any broker's commission which may become due as a result of this transaction. PURCHASER DISCLOSES THAT ONE OR MORE PRINCIPALS OF PURCHASER ARE LICENSED REAL ESTATE BROKERS OR AGENTS AFFILIATED WITH BELLATOR REAL ESTATE & DEVELOPMENT, WHICH, HOWEVER, IS NOT CLAIMING A COMMISSION AND WHICH IS NOT OTHERWISE INVOLVED IN THIS TRANSACTION.

**ARTICLE VII
RISK OF LOSS**

7.1 Risk of Loss. Risk of loss shall be borne by Seller.

ARTICLE VIII REMEDIES

8.1 Purchaser's Remedies. In the event that any warranty or representation of Seller contained in this Agreement shall prove to be untrue in any material respect, or in the event that Seller breaches or fails to satisfy, comply with, or perform any of the conditions, covenants, agreements or obligations to be satisfied, complied with, or performed by Seller under this Agreement, or if Seller fails and refuses to consummate the purchase and sale of the Property contemplated by this Agreement, then Purchaser, at Purchaser's option, (i) may declare this Agreement terminated, the Earnest Money shall be returned to Purchaser, and thereafter neither Seller nor Purchaser shall have any further obligation or liability to the other hereunder; or (ii) exercise any and all rights and remedies available to Purchaser at law and in equity, including, without limitation, the right of specific performance.

8.2 Seller's Remedies. In the event that any warranty or representation of Purchaser contained in this Agreement shall prove to be untrue in any material respect, or in the event that Purchaser breaches or fails to satisfy, comply with, or perform any of the conditions, covenants, agreements or obligations to be satisfied, complied with, or performed by Purchaser under this Agreement, or if Purchaser fails and refuses to consummate the purchase and sale of the Property contemplated by this Agreement, then Seller, as its sole remedy, may declare this Agreement terminated, and retain the Earnest Money as "full and complete liquidated damages" for said breach, Seller hereby waiving any claim for other damages and any claim for specific performance.

ARTICLE IX GENERAL PROVISIONS

9.1 Benefit. This Agreement shall inure to the benefit of and be binding upon Purchaser and Seller and their respective heirs, legal representatives, successors and assigns.

9.2 Attorneys' Fees. In the event that either party employs an attorney or otherwise takes action to enforce its rights under this Agreement, the unsuccessful party shall pay all reasonable costs and expenses, including reasonable attorneys' fees, incurred by the successful party in such action. If this Agreement is assigned, the assignee and the original parties to this Agreement shall remain obligated to pay attorneys' fees and costs if they are the unsuccessful parties.

9.3 No Waiver. No waiver by any party of any other party's failure to comply with or breach of any term or provision contained in this Agreement, and no failure by any party to insist upon any other party's strict performance of or compliance with any term or provisions contained in this Agreement shall operate as, or be construed to be, a waiver of such term or provision, nor shall it be deemed to be a waiver of any other term or provision of this Agreement.

9.4 Notice. Any notice required or permitted to be given hereunder shall be in writing and shall be deemed to have been delivered upon actual receipt by the addressee, or when (a) personally delivered, (b) delivered by a nationally recognized overnight delivery service for next day delivery, (c) deposited in good faith in the United States certified mail, return receipt requested and postage prepaid, or (d) transmitted by facsimile or by email, with receipt confirmed, to Seller or to Purchaser as follows:

Seller: CV SETTLEMENT HOLDINGS, LLC

Fax: _____

Email: _____

Purchaser: TRULAND HOMES, LLC
29891 Woodrow Lane, Suite 100
Spanish Fort, Alabama 36527
Fax: (251) 650-1643
Email: ncox@battleplancapital.com

with a copy to: Richard E. Davis, Attorney-at-Law
DAVIS & FIELDS, P.C.
Post Office Box 2925
Daphne, Alabama 36526
Fax: (251) 621-1520
Email: rdavis@davis-fields.com

9.5 Governing Law. This Agreement shall be interpreted, construed and governed according to the laws of the State of Alabama.

9.6 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of which together shall constitute a single fully executed Agreement. A facsimile signature of any party shall be considered to have the same binding legal effect as an original signature.

9.7 Entire Agreement. This Agreement supersedes all prior discussions and agreements between Purchaser and Seller with respect to the purchase and sale of the Property. This Agreement contains the sole and entire agreement and understanding between the Purchaser and Seller with respect to the purchase and sale of the Property, and there are no agreements, understandings, warranties or representations between Purchaser and Seller other than those set forth herein with respect thereto. This Agreement may not be altered, enlarged, modified, or changed except by a writing executed by Purchaser and Seller.

9.8 Survival. All of the terms, provisions, conditions, representations, warranties, covenants, and agreements contained in this Agreement shall survive the consummations of the purchase and sale of the Property on the Closing Date.

9.9 Time of Performance. Time is of the essence in the performance of all obligations under this Agreement.

9.10 Date. In the event that any date set forth in this Agreement falls on, or any time period set forth in this Agreement expires on, a Saturday, a Sunday, a federal holiday or a state holiday, such date shall be automatically extended to the next day which is not a Saturday, a Sunday or a federal or state holiday.

9.11 Captions, Construction. The captions and headings used in this Agreement are inserted only for convenience and in no way define, describe, extend, or limit the scope of the particular provisions to

which they refer, or the meaning or intent of this Agreement. The words "herein," "hereof," "hereunder" and other similar compounds of the word "here" as used in this Agreement shall refer to the entire Agreement and not to any particular provision or paragraph.

9.12 Severability. If any term, provision, covenant, or condition contained in this Agreement shall be found to be invalid or unenforceable to any extent, the remainder of the terms, provisions, covenants, and conditions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

**ARTICLES X
FUTURE DEVELOPMENT LAND**

10.1 Seller hereby grants to Purchaser the exclusive option to purchase the Future Development Land for \$400,000.00. Purchaser's option to purchase the Future Development Land will expire if Purchaser has not exercised same on or before December 15, 2018, but will sooner lapse if Purchaser defaults by not purchasing any of the Larger Lots or Condo Lots in accordance with the terms set forth in Section 1.1 above. Closing of this purchase would occur not later than December 31, 2018. If Purchaser opts to purchase the Future Development Land, the parties' respective closing obligations and rights that pertain to the Larger Lots and the Condo Lots shall likewise apply to the purchase of the Future Development Land.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

Seller:

CV SETTLEMENT HOLDINGS, LLC

By: _____
As its: _____

Purchaser:

TRULAND HOMES, LLC

By: _____
NATHAN L. COX
As its Manager

68269.WPD