**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

In re:	)	Case Nos. 07-20412 through 07-20417, and 07-21468 through 07-21470
NEUMANN HOMES, INC., et al.,[1]	)	(Jointly Administered)
Debtors.	)	Chapter 11 Hon. Eugene R. Wedoff

FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER CONFIRMING JOINT PLAN OF LIQUIDATION OF NEUMANN HOMES, INC. AND ITS AFFILIATED DEBTORS AND DEBTORS IN POSSESSION

Upon the August 26, 2009 motion (the "Solicitation Procedures Motion") [Docket No. 1848] of Neumann Homes, Inc. and certain of its subsidiaries and affiliates, debtors and debtors-in-possession in the above-captioned cases (collectively, the "Debtors") filed with the Bankruptcy Court for the Northern District of Illinois (the "Court"), for entry of an order approving (i) the form and manner of notice of the hearing to approve the Debtors' Disclosure Statement (as amended from time to time and including all exhibits and supplements thereto, the "Disclosure Statement") with respect to the Joint Plan of Liquidation of Neumann Homes, Inc. and Its Affiliated Debtors and Debtors in Possession (the "Plan")[2]; (ii) the Disclosure Statement; (iii) the record date, the voting deadline, and procedures for temporary allowance of certain

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[1] The Debtors consist of: Neumann Homes, Inc. (EIN: 36-3372185); NDC Fabrications, LLC (EIN: 20-3927889); Neumann Homes of Colorado, LLC (EIN: 30-0016357); Neumann Homes of Michigan, LLC (EIN: 20-0266814); Neumann Homes of Wisconsin, LLC (EIN: 13-4233135); Neu Pro Co., LLC (EIN: 20-3927922); NHI Sky Ranch, LLC (EIN: 20-2680457); Precision Framing Systems, LLC (EIN: 61-1404308); and Sky Ranch, LLC (EIN: 20-2680547).

[2] Unless otherwise defined herein, capitalized terms used herein shall have the meanings ascribed to such terms in the Plan, a copy of which is annexed hereto as Exhibit A.

claims; (iv) procedures for filing objections to the Plan; (v) the solicitation procedures for confirmation of the Plan; and (vi) a hearing date to consider confirmation of the Plan and notice thereof (the "Confirmation Hearing Notice"); and upon the order entered on December 11, 2009 granting the Solicitation Procedures Motion (the "Solicitation Procedures Order") [Docket No. 2053]; and the Debtors having filed with the Court certain exhibits to the Plan; and the Court on [•], 2010 having held a hearing pursuant to section 1129 of the Bankruptcy Code to consider confirmation of the Plan (the "Confirmation Hearing"); and the Court having considered the Debtors' Memorandum of Law (i) in Support of Confirmation of the Joint Plan of Liquidation of Neumann Homes, Inc. and Its Affiliated Debtors and Debtors in Possession and (ii) in Response to Objections Thereto, filed by the Debtors on January 25, 2010; the Court having admitted into the record and considered evidence at the Confirmation Hearing; and the Court having taken judicial notice of the contents of the docket of the Chapter 11 Cases maintained by the Clerk of the Court and/or its duly-appointed agent, including all pleadings and other documents filed and orders entered thereon; and after due deliberation thereon and good and sufficient cause appearing therefor,

It hereby is DETERMINED, FOUND, ADJUDGED, DECREED AND ORDERED THAT:

FINDINGS OF FACT AND CONCLUSIONS OF LAW[3]

A. Jurisdiction; Venue; Core Proceeding (28 U.S.C. §§ 157(b)(2) and 1334(a)). This Court has jurisdiction over the Chapter 11 Cases pursuant to 28 U.S.C. §§ 157 and 1334. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409. Confirmation of the Plan is

[3] Each finding of fact set forth or incorporated herein, to the extent it is or may be deemed a conclusion of law, shall also constitute a conclusion of law. Each conclusion of law set forth or incorporated herein, to the extent it is or may be deemed a finding of fact, shall also constitute a finding of fact.

a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(L), and this Court has jurisdiction to determine whether the Plan complies with the applicable provisions of the Bankruptcy Code and should be confirmed.

B. Filing of Plan and Plan Exhibits. On December 11, 2009, the Debtors filed the Plan and the Disclosure Statement. On January 12, 2010, the Debtors filed Exhibits A through E to the Plan (as modified).[4]

C. Transmittal of Solicitation Package. On or before December 18, 2009, the Debtors caused the Solicitation Packages (as set forth in the Solicitation Procedures Order) to be served and distributed as required thereby, all as set forth in the Kjontvedt Affidavit of Solicitation Mailing filed on December 29, 2009 [Docket No. 2083] (the "Kjontvedt Affidavit"). Additionally, on or before December 18, 2009, the Debtors caused to be mailed (i) the Confirmation Hearing Notice, the Plan, the Disclosure Statement and the Solicitation Procedures Order (without exhibits) to all parties on the Master Service List and all parties on the Bankruptcy Rule 2002 List, and (ii) the Confirmation Hearing notice to approximately 7,600 parties listed on the Debtors' creditor matrix.

D. Publication of Confirmation Hearing Notice. The Debtors published the Confirmation Hearing Notice in: (i) The Chicago Tribune on [•], 2009; (ii) The Detroit Free Press on [•], 2009; and (iii) the Milwaukee Journal Sentinel on [•], 2009. See the Notice of Filing of Affidavits of Publication filed on [•], 2010 [Docket No. [•]].

[4] To the extent that drafts or summary descriptions of documents have been filed with the Court in connection with the Plan, the draft documents will be finalized pursuant to the Plan for execution and delivery.

E. Solicitation. Votes on the Plan were solicited in good faith and in compliance with sections 1125 and 1126 of the Bankruptcy Code, Bankruptcy Rules 3017 and 3018, the Disclosure Statement, the Solicitation Procedures Order, the local rules of this Court, all other applicable provisions of the Bankruptcy Code, and all other applicable rules, laws, and regulations applicable to such solicitation.

F. Good Faith Solicitation (11 U.S.C. § 1125(e)). All persons within the definition of Released Parties who solicited votes on the Plan are entitled to the protections afforded by section 1125(e) of the Bankruptcy Code as well as the exculpation and limitation of liability provisions set forth in Section 14.4 of the Plan.

G. Voting Report. On January 25, 2010, Epiq Bankruptcy Solutions LLC filed the Declaration of Stephanie Kjontvedt of Epiq Bankruptcy Solutions, LLC Regarding Voting On, and Tabulation Of, Ballots Accepting and Rejection the Joint Plan of Liquidation [Docket No. [•]] (the "Voting Report"), certifying the method and results of the ballot tabulation for the Class entitled to vote under the Plan (the "Voting Class"). As evidenced by the Voting Report, the Voting Class for which votes were received have accepted the Plan in accordance with section 1126 of the Bankruptcy Code.

H. Plan Compliance with Bankruptcy Code (11 U.S.C. § 1129(a)(1)). The Plan satisfies section 1129(a)(1) of the Bankruptcy Code because it complies with the applicable provisions of the Bankruptcy Code, including, but not limited to: (a) the proper classification of Claims and Interests (11 U.S.C. §§ 1122, 1123(a)(1)); (b) the specification of Unimpaired Classes (11 U.S.C. § 1123(a)(2)); (c) the specification of treatment of Impaired Classes (11 U.S.C. § 1123(a)(3)); (d) provision for the same treatment of each Claim or Interest within a

Class (11 U.S.C. § 1123(a)(4)); (e) provision for adequate and proper means for implementation (11 U.S.C. § 1123(a)(5)); (f) the prohibition against the issuance of non-voting equity securities (11 U.S.C. § 1123(a)(6)) (not applicable in these cases); (g) adequate disclosure of the procedures for determining the identities and affiliations of the Liquidation Trust Administrator with respect to the Liquidation Trust (11 U.S.C. § 1123(a)(7)); and (h) additional plan provisions permitted to effectuate the liquidation of these Chapter 11 Cases (11 U.S.C. § 1123(b)).

I. Debtors' Compliance with Bankruptcy Code (11 U.S.C. § 1129(a)(2)). The Debtors have complied with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Solicitation Procedures Order, and other orders of this Court, thereby satisfying section 1129(a)(2) of the Bankruptcy Code.

J. Plan Proposed in Good Faith (11 U.S.C. § 1129(a)(3)). The Debtors have proposed the Plan in good faith and not by any means forbidden by law, thereby satisfying section 1129(a)(3) of the Bankruptcy Code. In determining that the Plan has been proposed in good faith, the Court has examined the totality of the circumstances surrounding the filing of the Chapter 11 Cases, the formulation of the Plan and all modifications thereto. The Chapter 11 Cases were filed, and the Plan and all modifications thereto were proposed, with the legitimate and honest purpose of maximizing the value of the Debtors and the recovery to Claimholders under the circumstances of these Chapter 11 Cases. Therefore, the Debtors have proposed the Plan in good faith and not by any means forbidden by law, and section 1129(a)(3) of the Bankruptcy Code is satisfied with respect to the Plan.

K. Payments for Services or Costs and Expenses (11 U.S.C. § 1129(a)(4)). Any payment made or to be made by the Debtors for services or for costs and expenses in

value, as of the Effective Date, that is not less than the amount that such holder would receive if the Debtors were liquidated under Chapter 7 of the Bankruptcy Code on such date. Therefore, the Plan satisfies section 1129(a)(7) of the Bankruptcy Code.

O. Acceptance By Certain Classes (11 U.S.C. § 1129(a)(8)). Classes 1-A, 1-B, 1-C, 1-D, 1-E, 1-F, 1-G, 1-H, 2, and 3 are Unimpaired by the Plan and therefore, under section 1126(f) of the Bankruptcy Code, such Classes are conclusively presumed to have accepted the Plan. The only Impaired Class has voted to accept the Plan. Class 5 is deemed to reject the Plan and, therefore, section 1129(a)(8) of the Bankruptcy Code has not been satisfied with respect to this Class.

P. Treatment of Administrative and Priority Tax Claims and Other Priority Claims (11 U.S.C. § 1129(a)(9)). The treatment of Administrative Claims and Other Priority Claims under the Plan satisfies the requirements of section 1129(a)(9)(A) and (B) of the Bankruptcy Code, and the treatment of Priority Tax Claims under the Plan satisfies the requirements of section 1129(a)(9)(C) of the Bankruptcy Code.

Q. Acceptance By Impaired Class (11 U.S.C. § 1129(a)(10)). Class 4 is an Impaired Class of Claims that has voted to accept the Plan and, to the best of the Debtors' knowledge, do not contain "insiders" of any significant magnitude. Therefore, section 1129(a)(10) of the Bankruptcy Code is satisfied with respect to the Plan.

R. Feasibility (11 U.S.C. § 1129(a)(11)). The Plan proposed by the Debtors provides for a liquidation of the Debtors' remaining assets and a distribution of Cash to creditors in accordance with the terms of the Plan. The Disclosure Statement and the evidence proffered or adduced at the Confirmation Hearing (1) are persuasive and credible, (2) have not been

controverted by other evidence or challenged in any of the objections to the Plan, and (3) establish that the Plan is feasible. Therefore, the Plan satisfies section 1129(a)(11) of the Bankruptcy Code.

S. Payment of Fees (11 U.S.C. § 1129(a)(12)). The Debtors have paid or, pursuant to the Plan, will pay by the Effective Date, fees payable under 28 U.S.C. § 1930, thereby satisfying section 1129(a)(12) of the Bankruptcy Code.

T. Retiree Benefits (11 U.S.C. § 1129(a)(13)). The Debtors have withdrawn from or terminated, as applicable, their retiree benefit plans, if any, pursuant to the terms of those plans and therefore none of the Debtors are obligated, on an ongoing basis or in the future, to pay any retiree benefits as defined in section 1114(a) of the Bankruptcy Code that have not already been paid. Accordingly, the requirements of section 1129(a)(13) of the Bankruptcy Code are not applicable.

U. Section 1129(b); Confirmation of the Plan Over Nonacceptance of Impaired Classes. Class 5 is an Impaired Class of Claims and Interests that is deemed to have rejected the Plan pursuant to 11 U.S.C. § 1126(g). Pursuant to section 1129(b) of the Bankruptcy Code, the Plan may be confirmed notwithstanding the fact that not all Impaired Classes have noted to accept the Plan. All of the requirements of section 1129(a) of the Bankruptcy Code, other than section 1129(a)(8) with respect to Class 5, have been met, and with respect to such Class, no holders of Claims or Interests junior to the holders of such Class will receive or retain any property under the Plan on account of such Claims or Interests. Finally, no Class of Claims or Interests senior to Class 5 is receiving property under the Plan having a value more than the Allowed amount of such Claim or Interest. Accordingly, the Plan is fair and equitable and does

not discriminate unfairly, as required by section 1129(b) of the Bankruptcy Code and may be confirmed under Bankruptcy Code section 1129(b) notwithstanding their rejection or deemed rejection of the Plan.

V. Principal Purpose of Plan (11 U.S.C. § 1129(d)). The principal purpose of the Plan is not the avoidance of taxes or the avoidance of the application of section 5 of the Securities Act of 1933 (15 U.S.C. § 77e). Accordingly, the Plan satisfies the requirements of section 1129(d) of the Bankruptcy Code.

W. Plan Settlements. In accordance with Bankruptcy Rule 9019, the Plan is dependent upon and incorporates the terms of certain compromises and settlements (the "Plan Settlements"), including but not limited to the settlement with the KPN Entities as embodied in Exhibit B to the Plan, that are necessary for he success of the Plan. The Plan Settlements, together with the other provisions of the Plan, constitute a global settlement of all issues and disputes between and among the Debtors and their major constituents. The Plan Settlements are the product of arms' length, good faith negotiations and are within the range of potential litigation outcomes.

X. Executory Contracts. The Debtors have exercised reasonable business judgment in determining whether to assume or reject their executory contracts (including licenses) and unexpired leases pursuant to Article VIII of the Plan. Each assumption or rejection of an executory contract or unexpired lease (including licenses) pursuant to Article VIII of the Plan and Exhibit E thereto shall be legal, valid and binding upon the applicable Debtor and its assignees or successors and all non-Debtor parties (and their assignees or successors) to such executory contract or unexpired lease, all to the same extent as if such assumption or rejection

had been effectuated pursuant to an order of the Court entered before the Confirmation Date under section 365 of the Bankruptcy Code.

Y. Substantive Consolidation. The Court finds that substantive consolidation of the Debtors and their Estates in these Chapter 11 Cases for the purposes of all actions associated with the confirmation and consummation of the Plan will (1) facilitate and maximize prompt distributions to the Debtors' creditors and (2) permit the Debtors' creditors to avoid the harm that likely would result absent substantive consolidation and confirmation of the plan embodying it. The Court further finds that substantive consolidation will not unduly harm any creditor or party-in-interest and is in the best interests of the Debtors, the creditors and the Estates.

Z. Releases, Injunctions and Exculpation. Each of the release, injunction, indemnification and exculpation provisions described in Article XIV of the Plan constitute good faith compromises and settlements of the matters covered thereby, are otherwise approved by the Court as appropriate pursuant to applicable law and/or are consensual. Such compromises and settlements are (i) made in exchange for adequate consideration, (ii) in the best interests of the Debtors' Estates, Claimholders and other parties in interest, (iii) fair, equitable and reasonable, (iv) integral elements of the resolution of the Chapter 11 Cases in accordance with the Plan, and (v) in the cases of releases and injunctions provided pursuant to Sections 14.7 and 14.8 of the Plan, are consensual by Holders of Claims voting to affirmatively accept the Plan, are the result of a good faith compromise, or are otherwise approved by the Court as appropriate pursuant to applicable law. Each of the discharge, release, injunction, indemnification and exculpation provisions set forth in the Plan: (a) is within the jurisdiction of the Court under 28 U.S.C.

§§ 1334(a), (b), and (d); (b) is an appropriate and essential means of implementing the Plan pursuant to section 1123(a)(5) of the Bankruptcy Code and necessary for the success of the Plan; (c) is an integral element of the transactions incorporated into the Plan; (d) confers a material benefit on, and is in the best interests of, the Debtors, their Estates and their creditors; (e) is important to the overall objectives of the Plan to finally resolve all Claims among or against the parties-in-interest in the Chapter 11 Cases with respect to the Debtors, their organization, capitalization, operation and liquidation; and (f) is consistent with sections 105, 1123, 1129, and all other applicable provisions of the Bankruptcy Code.

AA. Plan Conditions to Confirmation. The conditions to Confirmation set forth in Section 12.1 of the Plan have been satisfied or waived in accordance with the terms of the Plan.

BB. Plan Conditions to Consummation. Each of the conditions to the Effective Date, as set forth in Section 12.2 of the Plan, is reasonably likely to be satisfied or waived in accordance with the terms of the Plan.

CC. Retention of Jurisdiction. The Court properly may retain jurisdiction over the matters set forth in Article XV of the Plan.

DECREES

NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

Confirmation of Plan

1. Confirmation. The Plan, attached hereto as Exhibit A, including all of the modifications described herein or on the record at the Confirmation Hearing and all Exhibits

attached to the Plan, is approved and confirmed under section 1129 of the Bankruptcy Code. The terms of the Plan are incorporated by reference into and are an integral part of this Confirmation Order.

2. Notice. Notice of the Plan, the Exhibits, and all amendments and modifications thereto, the Disclosure Statement and the Solicitation Packages was proper and adequate.

3. Objections. All Objections and all reservations of rights that have not been withdrawn, waived or settled, pertaining to the Confirmation of the Plan are overruled on the merits.

4. Effectiveness of All Actions. All actions contemplated by the Plan are hereby authorized and approved in all respects (subject to the provisions of the Plan). The approvals and authorizations specifically set forth in this Confirmation Order are nonexclusive and are not intended to limit the authority of any Debtor any officer or director thereof, or the Liquidation Trust Administrator to take any and all actions necessary or appropriate to implement, effectuate and consummate any and all documents or transactions contemplated by the Plan or this Confirmation Order. Pursuant to this Order and applicable law, the Debtors or the Liquidation Trustee, as applicable, are authorized and empowered, without action of their respective stockholders or members or boards of directors or managers, but subject to consent rights, if any, set forth in the Plan, to take any and all such actions as any of their executive officers may determine are necessary or appropriate to implement, effectuate and consummate any and all documents or transactions contemplated by the Plan or this Confirmation Order.

5. Substantive Consolidation. In light of the fact that substantive consolidation will promote a more equitable distribution of the Debtors' assets, as well as the

additional factors identified in the Disclosure Statement, the substantive consolidation of the Chapter 11 Cases and Estates that comprise the Debtors is in the best interests of the Debtors' stakeholders and is appropriate under section 105 of the Bankruptcy Code.

6. On the Effective Date, (i) all Intercompany Claims by, between and among the Debtors shall be eliminated, (ii) all assets and liabilities of the Affiliate Debtors shall be merged or treated as if they were merged with the assets and liabilities of Neumann Homes, (iii) any obligation of a Debtor and all guarantees thereof by one or more of the Debtors shall be deemed to be one obligation of Neumann Homes, (iv) the Affiliate Interests shall be cancelled, and (v) each Claim filed or to be filed against any Debtors shall be deemed filed only against Neumann Homes and shall be deemed a single Claim against and a single obligation of Neumann Homes.

7. On the Effective Date, and in accordance with the terms of the Plan and the consolidation of the assets and liabilities of the Debtors, all Claims based upon guarantees of collection, payment or performance made by the Debtors as to the obligations of another Debtor shall be released and of no further force and effect.

8. On the Effective Date or as soon thereafter as practicable, (a) the members of the board of directors and officers of each of the Debtors shall be deemed to have resigned without further action, (b) each of the Affiliate Debtors shall be merged with and into Neumann Homes and (c) the Chapter 11 Cases of the Affiliate Debtors shall be closed.

9. Preservation of Causes of Action. The provisions of Article VII of the Plan are approved in their entirety. Excluding all of the Released KPN Claims and any Claims against RFC or the RFC-Related Entities, and except as otherwise provided in the Plan, on the Effective Date, all of the Debtors' rights to commence and pursue, as appropriate, any and all

Causes of Action, whether arising before or after the Petition Date, in any court or other tribunal in an adversary proceeding or contested matter filed in one or more of the Chapter 11 Cases, including, but not limited to, the Causes of action specified on Exhibit A to the Plan, and any Causes of Action, that are not Released KPN Claims or Claims against RFC or the RFC-Related Entities, described in Section 7.6 of the Plan, will be transferred to the Liquidation Trust in accordance with the Plan.

10. Unless a Claim or Cause of Action against a creditor or other Person is among the Released KPN Claims or otherwise expressly waived, relinquished, released or compromised in the KPN Settlement Agreement, the Plan or any Final Order, the Debtors expressly reserve and transfer such Claim or Cause of Action to the Liquidation Trust for later adjudication.

Assumption and Assignment and Rejection of Executory Contracts and Unexpired Leases

11. Executory Contracts and Unexpired Leases. Except as otherwise provided in the Plan or in any contract, instrument, release, or other agreement or document entered into in connection with the Plan, subject to the Effective Date, but as of the Confirmation Date, pursuant to sections 365 and 1123(b) of the Bankruptcy Code, each of the Executory Contracts and Unexpired Leases listed on Exhibit E to the Plan shall be deemed assumed and assigned to the Liquidation Trust. Each contract and lease listed on Exhibit E will be assumed only to the extent that any such contract or lease constitutes an Executory Contract or Unexpired Lease. Listing a contract or lease on Exhibit E does not constitute an admission by the Debtors, or the Liquidation Trust, that such contract or lease is an Executory Contract or Unexpired Lease or that the Debtors or the Liquidation Trust have any liability thereunder.

12. Except for an Executory Contract or Unexpired Lease that was previously assumed, assumed and assigned, or rejected by a Final Order of the Bankruptcy Court with the effective date of such assumption or rejection on or before the Effective Date, or that is assumed pursuant to Article VIII of the Plan (including those contracts and leases listed on Exhibit E to the Plan), each Executory Contract and Unexpired Lease entered into by a Debtor prior to the Petition Dates will be rejected pursuant to section 365 of the Bankruptcy Code as of the Confirmation Date.

Bar Dates and Other Deadlines

13. The bar dates and deadlines set forth in the Plan are hereby approved, including but not limited to the following:

(a) Rejection Damages Bar Date. If the rejection by a Debtor of an Executory Contract or Unexpired Lease pursuant to the Plan results in a Claim, then such Claim shall be forever barred and shall not be enforceable against any Debtor or the properties of any of them unless a proof of claim is filed with the Debtors' Claims agent, Epiq Bankruptcy Solutions, LLC, and served upon counsel to the Debtors, and counsel to the Creditors' Committee, within thirty (30) days after service of the earlier of (a) notice of the effective date of rejection of such executory contract or unexpired lease as determined in accordance with Section 8.1 of the Plan or (b) other notice that the executory contract or unexpired lease has been rejected. Nothing herein or in Section 8.5 of the Plan shall revive or deem to revive a previously Disallowed Claim or extend a previously established bar date, if applicable. The bar date for filing a Claim with respect to an Executory Contract or Unexpired Lease other than pursuant to this Confirmation Order and the Plan shall be as set forth in the Bar Date Order or the Final Order approving such rejection.

(b) Cure Claim Submission Deadline. Any Person claiming that a monetary cure amount is due in connection with the assumption of any executory contract or unexpired lease as contemplated by section 365(b) of the Bankruptcy Code must file such monetary cure claim with this Court asserting all alleged amounts accrued through the Confirmation Date, if any (the "Cure Claim"), no later than thirty (30) days after receiving notice of the entry of this Confirmation Order (the "Cure Claim Submission Deadline"). Any party failing to submit a Cure Claim by the Cure Claim Submission Deadline shall be forever barred from asserting, collecting, or seeking to collect any amounts relating thereto against the Debtors or Reorganized Debtors. In the case of a Cure Claim related to an unexpired lease of non-residential real property, such Cure Claim must include a breakdown by category of all amounts claimed, including, but not limited to, amounts for real estate taxes, common area maintenance,

and rent. The Debtors shall have thirty (30) days from the Cure Claims Submission Deadline or the date a Cure Claim is actually filed, whichever is later, to file an objection to the Cure Claim. Any disputed Cure Claims shall be resolved either consensually by the parties or by this Court. Disputed Cure Claims shall be set for status at subsequent hearings following the Cure Claim Submission Deadline with separate evidentiary hearings to be set by the Court as needed. If the Debtors do not dispute a Cure Claim, then the Debtors shall pay the Cure Claim, if any, to the claimant within twenty (20) days of the Cure Claim Submission Deadline. Disputed Cure Claims that are resolved by agreement or Final Order of the Court shall be paid by the Debtors within twenty (20) days of such agreement or Final Order of the Bankruptcy Court. Notwithstanding the foregoing, if there is a dispute as to the amount of Cure that cannot be resolved consensually among the parties, the Debtors shall have the right to reject the assumed contract or lease for a period of five days after entry of a Final Order establishing a Cure not agreed upon by the Debtors.

(c) Claims Bar Dates for Administrative Claims. Except as otherwise provided in the Plan, requests for payment of an Administrative Claim (other than Professional Fees, and other than with respect to Cure Claims) must be filed with the Bankruptcy Court and served on counsel for the Debtors no later than thirty (30) days after the date on which the Debtors mail written notice of the occurrence of the Effective Date (the "Administrative Claims Bar Date"). Unless the Debtors (or the Liquidation Trust Administrator as the case may be) object to an Administrative Claim by the day that is 120 days after the Administrative Claims Bar Date (the "Administrative Claims Objection Deadline"), such Administrative Claim shall be deemed allowed in the amount requested. In the event that the Debtors (or the Liquidation Trust Administrator as the case may be) object to an Administrative Claim and the Debtors (or the Liquidation Trust Administrator as the case may be) and such claimant are unable to resolve their dispute consensually, then the Debtors (or the Liquidation Trust Administrator as the case may be) shall file a motion for determination thirty (30) days following the request of such claimant. Thereafter, the Bankruptcy Court shall determine the Allowed amount of such Administrative Claim. Notwithstanding the foregoing, the Debtors (or the Liquidation Trust Administrator as the case may be) may pay, in their discretion, in accordance with the terms and conditions of any agreements relating thereto, any Administrative Claim as to which no request for payment has been timely filed but which is paid or payable by a Debtor in the ordinary course of business.

(d) Professional Claims and Final Fee Applications. All Professionals or other entities requesting compensation or reimbursement of expenses pursuant to sections 327, 328, 330, 331, 503(b) and 1103 of the Bankruptcy Code for services rendered on or before the Effective Date (including compensation and expenses for making a substantial contribution in any of the Chapter 11 Cases) shall file with the Bankruptcy Court and serve such applications on counsel for the Debtors, the United States Trustee and as otherwise required by the Bankruptcy Court and the Bankruptcy Code, an application for final allowance of compensation and reimbursement of expenses no later than forty-five (45) days after the end of the month in which the Effective Date occurred. Objections to applications of Professionals and other entities for compensation and reimbursement of expenses must be filed with the Bankruptcy Court no later than twenty (20) days after the filing and service of a Professional's application. All unpaid

compensation and reimbursement of expenses allowed by the Bankruptcy Court shall be deemed Deferred Professional Fees and be paid in accordance with Section 13.5 of the Plan.

Liquidation Trust

14. Formation of and Provisions Regarding The Liquidation Trust. The formation, rights, powers, duties, structure, obligations, and related matters pertaining to the Liquidation Trust shall be governed by Article XIII of the Plan and the Liquidation Trust Agreement (which such agreement shall be substantially in the form of Plan Exhibit C filed with the Court on January 12, 2010) is approved.

15. Transfer of Trust Assets. On the Effective Date, the Liquidation Trust Assets shall be transferred to the Liquidation Trust in accordance with the Plan for the benefit of the Liquidation Trust Beneficiaries.

16. Approval of Liquidation Trust Administrator. The appointment of [•] as the Liquidation Trust Administrator under the Trust Agreement is hereby approved, and the Liquidation Trust Administroator is hereby authorized to carry out all duties as set forth in the Plan, this Confirmation Order, and the Liquidation Trust Agreement.

17. Trust Advisory Board. The Court approves the appointment of [•], [•] and [•] as members of the Liquidation Trust Advisory Board. The Liquidation Trust Advisory Board is hereby authorized to carry out all duties as set forth in the Plan, this Confirmation Order, and the Liquidation Trust Agreement.

Settlements, Discharge of Debtors, Releases, Injunctions, and Transfers

18. Plan Settlements. The Plan Settlements and all of the respective terms thereof as set forth in the Plan**,** including the Exhibits to the Plan**,** are hereby approved pursuant to Bankruptcy Rule 9019 as fair, equitable, prudent, and reasonable compromises of the

controversies and Claims resolved by the Plan Settlements, are in the best interest of the Debtors and their estates and creditors, are binding upon all Persons affected thereby, and shall be effectuated in accordance with the terms thereof.

19. Releases, Injunctions, Limitations of Liability and Indemnification. The releases and injunctions set forth in Sections 14.6, 14.7 and 14.8 of the Plan, the exculpation and limitation of liability provisions set forth in Section 14.4 of the Plan, and the indemnification obligations set forth in Section 14.5 of the Plan are incorporated in this Confirmation Order as if set forth in full herein and are hereby approved and shall be, and hereby are, effective and binding, subject to the respective terms thereof, on all Persons and entities who may have had standing to assert, prosecute, or to continue to assert or prosecute such Claims or Causes of Action, and no Person or entity shall possess such standing to assert, prosecute, or to continue to assert or prosecute such Claims or Causes of Action after the Effective Date.

20. Injunctions. Except as otherwise specifically provided in the Plan and except as may be necessary to enforce or remedy a breach of the Plan, from and after the Effective Date, all Persons who have held, hold or may hold Claims against or Interests in the Debtors and any successors, assigns or representatives of the foregoing shall be precluded and permanently enjoined from: (i) commencing or continuing in any manner any Claim, employment of process, action or other proceeding of any kind with respect to any Claim, Interest or any other right against the Liquidation Trust or released under the Plan, which they possessed or may possess prior to the Effective Date, (ii) the enforcing, attaching, collecting, offsetting, or recovering by any manner or means of any judgment, award, decree or order with respect to any Claim, Interest, or any other right against the Liquidation Trust or released under the Plan, which they possessed or may possess prior to the Effective Date, (iii) creating,

perfecting or enforcing any lien or encumbrance of any kind with respect to any Claim, Interest or any other right against the Liquidation Trust or released under the Plan, which they possessed or may possess prior to the Effective Date, (iv) asserting a setoff (except in defense to a Claim by the Debtors or Liquidation Trust), or right of subrogation or of any kind against any debt, liability, or obligation due to the Debtors, and (v) asserting any Claims or Causes of Action that are satisfied, released, or discharged hereby and under the Plan to the fullest extent permissible under applicable law, including to the extent provided for or authorized by Section 14.7 of the Plan and sections 524 and 1141 of the Bankruptcy Code.

21. Transfers Pursuant to the KPN Settlement Agreement. The Debtors are authorized and directed to makes all of the transfers required under the KPN Settlement Agreement, including, but not limited to, the transfers, free and clear of any and all liens, claims, or encumbrances, of all of the Debtors' right, title and interest in: (i) the Debtors' trade names "Neumann Homes, Inc.", "Precision Framing Systems", "Clublands", "Neu Way of Living", and the "NHI" and "Clublands" logos and any derivation of those trade names and logos to KPN; (ii) all of the Furniture (as that term is defined in the KPN Settlement Agreement") to KJET Office Building LLC; (iii) the doublewide trailer located on lot 147 in the Woods of North Sterling community in Sterling Heights, MI to KPN. All of these transfers are free and clear of any and all liens, claims, and encumbrances and shall be effectuated without further notice, hearing, or order of the Court. The Debtors are authorized and directed to take any and all actions and to execute such documents as may be necessary or appropriate to make any of the transfers required in the KPN Settlement Agreement.

22. KPN's Rights to Debtors' Records. KPN's rights related to the Debtors' Records (as that term is defined in the KPN Settlement Agreement) and the transfers of certain of

the Debtors' Records to KPN provided in the KPN Settlement Agreement are hereby authorized and approved. Any such transfers of the Debtors' Records to KPN shall be free and clear of liens, claims, and encumbrances. Without further notice, hearing, or order of the Court, KPN shall have all of the rights to the Debtors' records provided to KPN in the KPN Settlement Agreement. To the extent that the KPN Settlement Agreement provides greater rights to KPN or is otherwise inconsistent with any prior orders of the Court related to any of the Debtors' Records, the terms of the KPN Settlement Agreement are hereby adopted by the Court and shall take precedence over any such prior orders.

23. Allowed RFC Claim. RFC is a Holder of an Allowed Class 4 Claim in the amount of $82,073,664.50.

Plan Modifications

24. Plan Modifications. The modifications to the Plan embodied in Exhibit A have been made in a manner consistent with Section 16.3 of the Plan and constitute technical changes that do not materially adversely modify the treatment of any Claims or Interests. The Debtors have complied with the requisite consent provisions of the Plan in connection with such modifications. Accordingly, pursuant to Bankruptcy Rule 3019, these modifications do not require additional disclosure under section 1125 of the Bankruptcy Code or re-solicitation of votes under section 1126 of the Bankruptcy Code, nor do they require that holders of Claims be afforded an opportunity to change previously cast acceptances or rejections of the Plan. At the request of the Debtors, the Plan is hereby modified pursuant to section 1127(a) of the Bankruptcy Code as set forth in the attached Exhibits A and B.

Resolution of Objections

25. In full and final resolution of certain objections filed with this Court, as well as certain informal objections received by the Debtors, it is hereby ordered as follows:

(a) [TO COME]

Notice and Other Provisions

26. Notice of Confirmation Order and Occurrence of Effective Date. On or before the tenth (10th) day following the occurrence of the Effective Date, the Debtors shall serve notice of entry of this Confirmation Order and occurrence of the Effective Date pursuant to Bankruptcy Rules 2002(f)(7), 2002(k), and 3020(c), on (a) the U.S. Trustee; (b) the Internal Revenue Service; (c) the Securities and Exchange Commission; (d) counsel to the Creditors' Committee; (e) counsel to the Debtors' prepetition lenders; (f) all holders of Claims and Interests; and (j) other parties in interest, by causing a notice of this Confirmation Order (substantially in the form of Exhibit B attached hereto) and the occurrence of the Effective Date (substantially in the form of Exhibit C attached hereto) (the "Notice of Effective Date"), which forms are hereby approved, to be delivered to such parties by first class mail, postage prepaid. The Notice of Effective Date shall also be published in (a) The Chicago Tribune, (b) The Detroit Free Press, and (c) The Milwaukee Journal Sentinel. Notice need not be given or served under the Bankruptcy Code, the Bankruptcy Rules, or this Confirmation Order to any Person to whom the Debtors mailed a notice of the Bar Date or Confirmation Hearing, but received such notice returned marked "undeliverable as addressed," "moved - left no forwarding address," "forwarding order expired," or similar reason, unless the Debtors have been informed in writing by such Person of that Person's new address. The notice described herein is adequate and

appropriate under the particular circumstances of the Chapter 11 Cases, and no other or further notice is necessary.

27. Failure to Consummate Plan and Substantial Consummation. If the Effective Date does not occur, then the Plan, any settlement or compromise embodied in the Plan (including the fixing or limiting to an amount certain any Claim or Class of Claims) other than the settlement or compromise with the KPN Entities pursuant to the KPN Settlement Agreement (including all of its terms), the assumption and assignment or rejection of executory contracts or unexpired leases effected by the Plan, and any document or agreement executed pursuant to the Plan, shall be null and void. In such event, other than the provisions in this Confirmation Order related to the approval and authorization of the KPN Settlement Agreement and the releases and transactions provided for therein, nothing contained in the Plan or this Confirmation Order, and no acts taken in preparation for consummation of the Plan, shall, or shall be deemed to, (a) constitute a waiver or release of any Claims by or against or Interests in the Debtors or any other Person, (b) prejudice in any manner the rights of the Debtors or any Person in any further proceedings involving the Debtors, (c) constitute an admission of any sort by the Debtors or any other Person, or (d) be construed as a finding of fact or conclusion of law with respect thereto. Notwithstanding any other provision of this paragraph, in the event that the Effective Date does not occur or the Plan is not consummated or substantially consummated, the KPN Settlement Agreement and all of its terms shall remain in full force and effect.

28. References to Plan Provisions. The failure to include or specifically reference any particular provision of the Plan in this Confirmation Order shall not diminish or impair the effectiveness of such provision, it being the intent of the Court that the Plan be confirmed in its entirety.

29. Exhibits. Each reference to a document, agreement or summary description that is in the form attached as an Exhibit to the Plan in this Confirmation Order, in the Findings of Fact and Conclusions of Law, or in the Plan shall be deemed to be a reference to such document, agreement or summary description in substantially the form of the latest version of such document, agreement or summary description filed with the Court (whether filed as an attachment to the Plan or filed separately).

30. Plan and Confirmation Order Mutually Dependent. Other than the provisions of this Confirmation Order related to the approval and authorization of the KPN Settlement Agreement and the releases and transactions provided for therein which are severable and are not dependent on the Plan, the provisions of this Confirmation Order and the provisions of the Plan are hereby deemed nonseverable and mutually dependent.

31. Confirmation Order Supersedes. It is hereby ordered that this Confirmation Order shall supersede any orders of this Court issued prior to the Confirmation Date that may be inconsistent with this Confirmation Order.

32. Conflicts Between Confirmation Order and Plan. The provisions of the Plan and of this Confirmation Order shall be construed in a manner consistent with each other so as to effect the purposes of each; provided, however, that if there is determined to be any inconsistency between any Plan provision and any provision of this Confirmation Order that cannot be so reconciled, then, solely to the extent of such inconsistency, the provisions of this Confirmation Order shall govern and any such provision of this Confirmation Order shall be deemed a modification of the Plan and shall control and take precedence.

33. Retention of Jurisdiction. Pursuant to sections 105(a) and 1142 of the Bankruptcy Code, and notwithstanding the entry of this Confirmation Order or the occurrence of

the Effective Date, this Court, except as otherwise provided in the Plan or herein, shall retain exclusive jurisdiction over all matters arising out of, and related to, the Chapter 11 Cases and the Plan to the fullest extent permitted by law, including, but not limited to, the matters set forth in Article XV of the Plan.

34. Final Order. This Confirmation Order is a final order and the period in which an appeal must be filed shall commence upon the entry hereof.

35. Payment of Fees. All fees payable by the Debtors under 28 U.S.C. § 1930 shall be paid on, or as soon as reasonably practical after, the Effective Date, and neither the Debtors, their Estates nor the Liquidation Trust and the Liquidation Trust Administrator shall thereafter be liable for the payment of any additional fees under 28 U.S.C. § 1930 other than with respect to Neumann Homes' Chapter 11 Case.

Dated: Chicago, Illinois
_____, 2010

_____
UNITED STATES BANKRUPTCY JUDGE