

MAR - 2 2012

SO ORDERED

Chief U.S. Bankruptcy Judge

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OFFICE OF THE BANKRUPTCY CLERK
ALBANY, NY

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF NEW YORK

In re:

ROYAL HOSPITALITY, LLC
d/b/a COMFORT SUITES,

Case No. 10-13090

Chapter 11

Debtor.

**ORDER OF CONFIRMATION
OF DEBTOR'S PLAN**

Upon the First Amended Disclosure Statement dated January 30, 2012 and filed with the Court on January 30, 2012, and the First Amended Chapter 11 Reorganization Plan dated January 30, 2012 and filed with the Court on January 30, 2012, submitted by the Debtor, Royal Hospitality, LLC d/b/a Comfort Suites, and all Objections to said First Amended Chapter 11 Reorganization Plan being withdrawn at the hearing being held before this Court on February 29, 2012, and upon the appearances of Hodgson Russ LLP, Richard L. Weisz, Esq. of Counsel, attorneys for the Debtor; Bousquet Holstein PLLC (formerly known as Green & Seifter, Attorneys, PLLC), Michael J. Balanoff, Esq. of Counsel, attorneys for Stephen D. Gerling, Esq. as Section 1104 Trustee (the "Chapter 11 Trustee"); Maynard O'Connor Smith & Catalinotto,

LLP, Justin W. Gray, Esq. of Counsel, attorneys for Ittleson Trust, as Assignee to CIT Lending Services Corporation; Lemery Greisler, LLC, Paul A. Levine, Esq. of Counsel, attorneys for Empire State Certified Development Corp. as Servicing Agent for the United States Small Business Administration; Whiteman Osterman & Hanna, LLC, Christian H. Dribusch, Esq. of Counsel, attorneys for Lumberjack Pass Amusements, LLC; and the Office of the United States Trustee, Kevin Purcell, Esq., Trial Counsel; and upon the consent thereto by the parties, and for good cause shown,

NOW, it having been determined after hearing on notice, held on February 29, 2012, that:

1. The First Amended Chapter 11 Reorganization Plan (the "Plan") has been accepted in writing by the creditors and equity security holders whose acceptance is required by law; and

2. The provisions of Chapter 11 of the Code have been complied with; that the Plan has been proposed in good faith and not by any means forbidden by law; and

3. All payments made or promised by the Debtor or by a person issuing securities or acquiring property under the Plan or by any other person for services or for costs and expenses in, or in connection with, the Plan and incident to the case, have been fully disclosed to the Court and are reasonable; and

4. The identity, qualifications and affiliations of the persons who are to be directors or officers, or voting trustees, if any, of the Debtor, after confirmation of the Plan, have been fully disclosed, and the appointment of such persons to such offices, or their continuance therein,

is equitable, and consistent with the interests of the creditors and equity security holders and with public policy; and

5. The identity of any insider that will be employed or retained by the Debtor and their compensation have been fully disclosed; and

6. Confirmation of the Plan is not likely to be followed by the liquidation (or the need for further financial reorganization of the Debtor or any successor to the Debtor under the Plan); and

7. All monthly operating statements having been filed and all fees due to the United States Trustee pursuant to 28 U.S.C. §1930(a)(6) having been paid; and it is further

ORDERED, that the Debtor's First Amended Chapter 11 Reorganization Plan is confirmed, effective March 1, 2012, subject to the provisions below, and it is further

ORDERED, that the Court shall retain jurisdiction to determine professional Fee Applications, and it is further

ORDERED, that the Debtor continue to make timely payments to the United States Trustee pursuant to 28 U.S.C. §1930(a)(6) until the case is converted, dismissed or closed by Court Order, and the Debtor shall provide all outstanding operating statements to the United States Trustee within ten (10) days of the date of this Order, and the Debtor shall provide an appropriate affidavit indicating the cash disbursements for the relevant subsequent calendar quarters until the case is converted, dismissed or closed by Court Order, and it is further

ORDERED, that attorneys for the Debtor and for the Chapter 11 Trustee, and any other Applicants seeking a fee award against the Debtor's Estate, shall file their Applications on or before **April 4, 2012**, with any objections due by **April 18, 2012** and with a hearing thereon to be scheduled for **April 25, 2012 at 10:30 a.m.**, except that Accountants for the Chapter 11 Trustee shall file their Fee Application by **May 1, 2012**, and it is further

ORDERED, that the terms of the settlement reached with Lumberjack Pass Amusements, LLC and approved by this Court by Order dated February 20, 2012, are adopted and included herein by this reference, and it is further

ORDERED, that following due approval of compensation, professional fees and disbursements by the Court, the Chapter 11 Trustee and his attorneys may apply the \$48,000.00 being held by the Chapter 11 Trustee in satisfaction of the Chapter 11 Trustee's fees and compensation and attorneys' fees and disbursements ratably, with any remaining balance to be paid in four (4) equal monthly installments due on or before June 1, 2012, July 1, 2012, August 1, 2012 and September 1, 2012, and it is further

ORDERED, that the balance due on attorneys' fees and disbursements awarded to the Debtor's attorneys, Hodgson Russ LLP, and the Debtor's accountants, Ormondo S. Leombruno, CPA, P.C., Certified Public Accountants, shall be paid \$1,500.00 per month commencing June 1, 2012 and continuing thereafter on July 1, 2012, August 1, 2012 and September 1, 2012, with the balances then remaining to be paid in October, 2012 after the Chapter 11 Trustee, his attorneys and his accountants have all been paid, and it is further

ORDERED, that the balance due to Ittleson Trust to be paid under the Plan shall be \$7,118,824.60, and it shall be paid, together with interest at 5.75%, in monthly payments of \$41,543.53 commencing March 1, 2012, with the entire balance then due to be paid on or before December 31, 2015, and it is further

ORDERED, that the principal balance due to Empire State Certified Development Corp. as Servicing Agent for the United States Small Business Administration (“SBA”) to be paid under the Plan shall be \$1,853,353.26, which principal balance will be paid with interest at 4.25% by monthly payments of \$9,625.00, with all unpaid principal and interest due on or before March 1, 2017 (“Maturity”). SBA will also be paid attorneys’ fees, costs and expenses of \$7,500.00 at Maturity, and it is further

ORDERED, that the Debtor shall continue to list Stephen D. Gerling, Chapter 11 Trustee, as an additional insured on all liability policies through March 31, 2015, and it is further

ORDERED, that Debtor shall file all tax returns required to be filed for the periods included with years 2011 and 2012 and either Debtors or the Starks, as the case may be, shall pay all applicable taxes and the Trustee shall have no liability for any taxes; and it is further

ORDERED, that Stephen D. Gerling is discharged as of Chapter 11 Trustee as of the date when the Order of Confirmation is no longer subject to appeal, and relieved of all further duties and responsibilities upon discharge, except for filing his Final Report which shall be due on or before April 25, 2012 and writing the letter required by Section 4 of the Lumberjack settlement agreement, if this is not completed prior to the date when the Order of Confirmation is no longer subject to appeal; and it is further

ORDERED, that in accordance with Local Rule 3022-1, the Debtor is hereby directed to file the following with the Court, no later than 180 days after entry of the final Order confirming the Plan:

- a) Report of Substantial Consummation;
- b) Application for Final Decree;
- c) Final Report form;
- d) Proposed Final Decree;
- e) Cancelled checks representing distributions made; and
- f) Supplementary exhibit to application for final compensation;

and it is further

ORDERED, that George and Marilyn Stark and the Stark Group, Inc are bound by the terms of the Plan and this Order of Confirmation; and it is further

ORDERED, that the Debtor and the Debtor's attorneys appear before the Court on **AUG 29**, 2012 at 10:30 a.m., and show cause why the Report of Substantial Consummation (Local Rule 3022-1) and the Application for Final Decree (F.R.B.P. 3022) have not been filed with the Court.

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