

**GALLAGHER & KENNEDY, P.A.**  
John R. Clemency, Esq. (Bar No. 009646)  
Todd A. Burgess, Esq. (Bar No. 019013)  
Lindi M. Weber, Esq. (Bar No. 025820)  
2575 East Camelback Road  
Phoenix, Arizona 85016-9225  
Telephone: (602) 530-8000  
Facsimile: (602) 530-8500  
[john.clemency@gknet.com](mailto:john.clemency@gknet.com)  
[todd.burgess@gknet.com](mailto:todd.burgess@gknet.com)  
[lindi.weber@gknet.com](mailto:lindi.weber@gknet.com)

Attorneys for CPF VASEO ASSOCIATES, LLC

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF ARIZONA**

In re:	Chapter 11
EPICENTER PARTNERS L.L.C.	Case No. 2:16-bk-05493-MCW
GRAY MEYER FANNIN L.L.C.	Jointly Administered with:
SONORAN DESERT LAND INVESTORS LLC	Case No. 2:16-bk-05494-MCW
EAST OF EPICENTER LLC	Case No. 2:16-bk-07659-MCW
GRAY PHOENIX DESERT RIDGE II, LLC	Case No. 2:16-bk-07660-MCW
	Case No. 2:16-bk-07661-MCW
Debtors.	

**AMENDED DISCLOSURE STATEMENT IN SUPPORT OF THIRD AMENDED  
JOINT PLAN OF REORGANIZATION FOR ALL DEBTORS**

**I.**  
**INTRODUCTION**

Pursuant to 11 U.S.C. § 1125, this *Amended Disclosure Statement in Support of Third Amended Joint Plan of Reorganization For All Debtors* (the “Disclosure Statement”) is submitted by CPF Vaseo Associates, LLC (“CPF” or “Plan Proponent”), a secured creditor and party-in-interest in the above captioned chapter 11 cases of Epicenter Partners, LLC (“EP”), Gray Meyer Fannin, LLC (“GMF”), Sonoran Desert Land Investors, LLC (“SDLI”), East of Epicenter, LLC (“EoE”) and Gray Phoenix Desert Ridge II, LLC (“GPDR”

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1 II” and together with EP, GMF, SDLI, and EoE, the “Debtors”). The purpose of this  
 2 Disclosure Statement is to provide adequate information to the holders of claims or interests  
 3 in this matter so that they may make an informed judgment in exercising their right to vote  
 4 for acceptance or rejection of the *Third Amended Joint Plan of Reorganization For All*  
 5 *Debtors* (as amended, the “Plan”), a copy of which is attached as Exhibit “A”.

6 The Plan provides for the reorganization of the Debtors. The following summarizes  
 7 CPF’s secured debts against the Debtors, projected based on per diem accruals, as of April  
 8 30, 2017 and the real estate appraisals submitted by CPF and the Debtors in the cases:

Debt	Balance (excluding post-petition attorneys’ fees and costs)	Per Diem Interest	Per Diem Late Fees	Collateral	Debtor	CPF Appraisals	Debtor Appraisals
Ganymede Note	\$76,160,850	\$74,901	-	96 Acres	EP & GMF	\$54,000,000	\$121,000,000
STB Note	\$3,890,569	\$688	-	96 Acres	EP & GMF	\$54,000,000	\$121,000,000
\$26.5 MM Note	\$37,370,260	\$13,068	\$10,000	20 Acres Blue Sky Parcel 2H	GPDR	\$13,067,950	\$27,300,000
					II	\$22,470,000	-
					SDLI EoE	\$4,970,000	\$11,100,000
\$3.7 MM Note	\$5,315,829	\$1,825	\$1,500	Parcel 2H	EoE	\$4,970,000	\$11,100,000
Totals	\$122,737,508	\$90,482	\$11,500				

22 The Plan provides for and implements a global settlement of all Claims between CPF  
 23 and the Debtors as of the Effective Date, and provides more than \$7.0 million of additional  
 24 value to pay Allowed Claims of Creditors. Under the Plan, the consideration and benefits  
 25 provided by CPF, as the Plan Proponent, include at least the following:  
 26

1 **A. EP & GMF**

2 CPF has agreed to accept 100% of the new Equity Security Interests in EP & GMF  
3 in settlement of its Secured Claims (and any unsecured deficiency claims) against EP &  
4 GMF. CPF has committed to fund the payment of the deferred lease payments due to ASLD  
5 on July 7, 2017 in the amount of \$4,149,394. CPF has agreed to provide funding to pay all  
6 Allowed Administrative Claims in the EP & GMF cases, net of any retainers held by  
7 Professionals. CPF has agreed to provide funding to pay the Allowed amount of Maricopa  
8 County's secured tax claim, alleged to be \$122,234.52 as of the Petition Date. CPF has  
9 agreed to fund the Unsecured Creditor Dividend Fund in the amount of \$2,200,000. CPF  
10 will fund the post-Effective Date activities of EP & GMF. And, additional funds from the  
11 Reorganized Debtors' investigation and prosecution of Avoidance Actions may provide  
12 additional recoveries to holders of Allowed Unsecured Claims.

13 **B. GPDR II & SDLI**

14 CPF has agreed to accept 100% of the new Equity Security Interests in GPDR II &  
15 SDLI in settlement of its Secured Claims (and any unsecured deficiency claims) against  
16 GPDR II & SDLI. CPF has committed to fund the payment of the deferred lease payments  
17 due to ASLD on July 7, 2017 in the amount of \$691,485. CPF has agreed to provide funding  
18 to pay all Allowed Administrative Claims in the GPDR II & SDLI cases, net of any retainers  
19 held by Professionals. CPF has agreed to provide funding to pay the Allowed amount of  
20 Maricopa County's secured tax claim, alleged to be \$127,557.52 as of the Petition Date and  
21 to fund the Unsecured Dividend Fund. CPF will fund the post-Effective Date activities of  
22 GPDR II & SDLI. And, additional funds from the Reorganized Debtors' investigation and  
23 prosecution of Avoidance Actions may provide additional recoveries to holders of Allowed  
24 Unsecured Claims.

25 **C. EoE**

26 CPF has agreed to accept 100% of the new Equity Security Interests in EoE in

1 settlement of its Secured Claim against EoE, consideration totaling in excess of \$5,113,025  
2 as of February 28, 2017. CPF has agreed to provide funding to pay all Allowed  
3 Administrative Claims in the EoE case, net of any retainers held by Professionals. CPF has  
4 agreed to provide funding to pay the Allowed amount of Maricopa County's secured tax  
5 claim, alleged to be \$144,312.13 as of the Petition Date. CPF has agreed to provide funding  
6 to pay the Allowed amount of the DRCA Secured Claim and to fund the Unsecured  
7 Dividend Fund. CPF will fund the post-Effective Date activities of EoE. And, additional  
8 funds from the Reorganized Debtors' investigation and prosecution of Avoidance Actions  
9 may provide additional recoveries to holders of Allowed Unsecured Claims.

10 **CPF RECOMMENDS THAT CREDITORS VOTE TO ACCEPT THE PLAN**  
11 **IN ORDER TO MAXIMIZE THE RECOVERY ON THEIR CLAIMS.**

12 Capitalized terms used in this Disclosure Statement will correspond to terms defined  
13 in the Plan and the Bankruptcy Code. Terms used in this Disclosure Statement that are also  
14 defined in the Plan are defined solely for convenience; and the Debtors do not intend to  
15 change the definitions of those terms from the Plan. If there is any inconsistency between  
16 the Plan and this Disclosure Statement, the Plan is, and will be, controlling.

17 **D. Potential Dilution Issue.**

18 **THE PLAN PROVIDES THAT HOLDERS OF INSIDER UNSECURED**  
19 **CLAIMS AGAINST THE DEBTORS WILL NOT RECEIVE OR RETAIN ANY**  
20 **PROPERTY UNDER THE PLAN. HOWEVER, IF THE BANKRUPTCY COURT**  
21 **DETERMINES AT CONFIRMATION THAT THE PROPOSED TREATMENT OF**  
22 **INSIDER UNSECURED CLAIMS UNFAIRLY DISCRIMINATES OR**  
23 **OTHERWISE RENDERS THE PLAN UNCONFIRMABLE, HOLDERS OF**  
24 **ALLOWED INSIDER UNSECURED CLAIMS WILL SHARE THE UNSECURED**  
25 **CREDITOR DIVIDEND FUND PRO RATA WITH HOLDERS OF ALLOWED**  
26 **NON-INSIDER UNSECURED CLAIMS, WHICH COULD MATERIALLY**

1 **DILUTE THE RECOVERY TO HOLDERS OF ALLOWED NON-INSIDER**  
2 **UNSECURED CLAIMS.<sup>1</sup>**

3 **E. Basis For Settling CPF Disputed Claims and Estate Litigation Under Plan.**

4 Without in any way limiting the arguments that CPF may present in support of  
5 confirmation of the Plan, the structure of the Plan is based on a global settlement of all  
6 Estate Claims against CPF, including any objections to CPF's Claims, consistent with  
7 Bankruptcy Code § 1123(b)(3)(A), which states that a plan may provide for the "settlement  
8 or adjustment of any claim or interest belonging to the debtor or to the estate." It is well  
9 established that a creditor sponsored plan may provide for the settlement of all estate claims  
10 against the plan proponent in consideration of the benefits provided by the plan proponent  
11 under the plan. *See In re Tribune Company, et al.*, 464 B.R. 126, 158 (Bankr. D. Del. 2011)  
12 *citing Protective Comm. For Independent Stockholders of TMT Trailer Ferry, Inc. v.*  
13 *Anderson*, 390 U.S. 414, 424, 88 S.Ct. 1157, 1163, 20 L.Ed.2d 1 (1968) ("Compromises  
14 are 'a normal part of the process of reorganization.' ") (citations omitted). *Texas Extrusion*  
15 *Corp. v. Lockheed Corp., et al. (In the Matter of Texas Extrusion Corp.)*, 844 F.2d 1142,  
16 1158-59 and 1166 (5<sup>th</sup> Cir. 1988) (the bankruptcy court's approval of a settlement of  
17 litigation through a confirmed plan is reviewed for abuse of discretion); *In re BBL Group,*  
18 *Inc.*, 205 B.R. 625 (Bankr.N.D.Ala.1996) (The court held that the proposed settlement of a  
19 state court action between the debtor and secured creditor included in the secured creditor's  
20 proposed plan was fair and equitable); *In re Cellular Information Systems, Inc.*, 171 B.R.  
21 926, 930-37 (Bankr. S.D.N.Y.1994) (The court held that the secured creditor's plan could  
22 include settlement of the debtor's lender liability lawsuit against the secured creditor that  
23 was negotiated with the creditors committee and not the debtor).

24 At the conclusion of the Confirmation Hearing, CPF will ask the Court to find and  
25

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26 <sup>1</sup> A further discussion of this issue follows the discussion regarding the treatment of  
**Non-Insider Unsecured Claims.**

1 conclude that the Plan, and the global settlement of all Claims by and among CPF and the  
2 Debtors, is fair, equitable, and in the best interests of the Debtors, their Estates, and their  
3 Creditors. If the Court so finds and concludes, the Plan will be confirmed. If the Court  
4 determines otherwise, the Plan will not be confirmed as proposed.

5 **II.**  
6 **OVERVIEW OF CHAPTER 11**

7 **A. Information Regarding The Plan And Disclosure Statement**

8 The objective of a Chapter 11 case is the confirmation (i.e., approval by the  
9 Bankruptcy Court) of a plan of reorganization or liquidation. A Chapter 11 plan describes  
10 in detail (and in language appropriate for a legal contract) the means for satisfying the  
11 claims against and equity interests in a debtor, or in this case, the Debtors. After a plan has  
12 been filed, the holders of claims and equity interests that are impaired by the plan are  
13 permitted to vote to accept or reject the plan. Before a plan proponent can solicit  
14 acceptances of its plan, however, Section 1125 of the Bankruptcy Code requires the plan  
15 proponent to prepare a disclosure statement containing adequate information of a kind, and  
16 in sufficient detail, to enable those parties entitled to vote on the plan to make an informed  
17 judgment about the plan and about whether they should accept or reject the plan.

18 The purpose of this Disclosure Statement is to provide sufficient information about  
19 the Debtors and the Plan to enable you to make an informed decision in exercising your  
20 right to accept or reject the Plan. Therefore, this Disclosure Statement provides relevant  
21 information about the Debtors, their property and financial condition, and the Plan.

22 This Disclosure Statement will be used to solicit acceptances of the Plan only after  
23 the Bankruptcy Court has entered an order either approving or conditionally approving this  
24 Disclosure Statement. Approval by the Bankruptcy Court of this Disclosure Statement  
25 means only that the Bankruptcy Court has found that this Disclosure Statement contains  
26 sufficient information for the Debtors to transmit the Plan and Disclosure Statement to  
Creditors and to solicit acceptances of the Plan. THE BANKRUPTCY COURT'S

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1 APPROVAL OF THIS DISCLOSURE STATEMENT DOES NOT CONSTITUTE A  
2 CERTIFICATION BY THE COURT THAT THE DISCLOSURE STATEMENT IS  
3 WITHOUT INACCURACY OF THAT THE BANKRUPTCY COURT HAS ADOPTED  
4 OR AGREES WITH POSITIONS TAKEN BY CPF IN THIS DISCLOSURE  
5 STATEMENT. ATTACHED HERETO AS EXHIBIT K IS A STATEMENT BY THE  
6 COMMITTEE, THE DEBTORS, AND BRUCE AND BARBARA GRAY REGARDING  
7 THIS DISCLOSURE STATEMENT IN SUPPORT OF CPF'S PLAN. EXHIBIT K IS  
8 NOT A REPRESENTATION OR ADMISSION OF ANY KIND BY CPF AND DOES  
9 NOT REFLECT CPF'S VIEW OF THE PLAN. CPF URGES CREDITORS TO VOTE IN  
10 FAVOR OF THE CPF PLAN.

11 After the Bankruptcy Court has granted approval or conditional approval of this  
12 Disclosure Statement and there has been voting on the Plan, the Bankruptcy Court will  
13 conduct a Confirmation Hearing concerning whether the Plan should be approved. At the  
14 Confirmation Hearing, the Bankruptcy Court will consider whether the Plan satisfies the  
15 various requirements of the Bankruptcy Code. The Bankruptcy Court also will receive and  
16 consider a ballot report prepared by CPF that will present a tally of the votes accepting or  
17 rejecting the Plan cast by those entitled to vote. Accordingly, all votes are important  
18 because they can determine whether the Plan will be confirmed. Once confirmed, the Plan  
19 is essentially a new contract between the Plan Proponent, the Debtors, their Creditors, and  
20 Equity Security Interests holders and is binding on the Debtors, all Creditors, Equity  
21 Security Interests holders and other parties-in-interest in the Debtors' Bankruptcy Cases  
22 regardless of whether any particular Creditor or Equity Security Interest holder voted to  
23 accept the Plan.

24 **THIS DISCLOSURE STATEMENT IS NOT THE PLAN. FOR THE**  
25 **CONVENIENCE OF CREDITORS AND HOLDERS OF EQUITY**  
26 **SECURITY INTERESTS, THE PLAN IS SUMMARIZED IN THIS**  
**DISCLOSURE STATEMENT. ALL SUMMARIES OF THE PLAN**  
**ARE QUALIFIED IN THEIR ENTIRETY BY THE PLAN ITSELF. IN**  
**THE EVENT OF ANY INCONSISTENCY BETWEEN THIS**

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1           **DISCLOSURE STATEMENT AND THE PLAN, THE PLAN WILL**  
2           **CONTROL.**

3           **B.    Sources of Information and Representations.**

4           This Disclosure Statement has not been subjected to a certified audit; however, it has  
5           been prepared in part from information provided by the Debtors in these cases through its  
6           filings, and by Claims and pleadings filed by other parties in interest, including, the Debtors'  
7           statements and schedules, monthly operating reports, the *Disclosure Statement to*  
8           *Accompany Second Amended Chapter 11 Plan of Reorganization For Epicenter*  
9           *Partners LLC and Gray Meyer Fannin LLC* [Dkt. 280] and the *Debtors' Disclosure*  
10          *Statement in Support of Chapter 11 Plan of Reorganization for Sonoran Desert Land*  
11          *Investors LLC, East of Epicenter LLC, and Gray Phoenix Desert Ridge II LLC, Amended*  
12          *March 2017* [Dkt. 458]. Other information, specifically information regarding CPF's  
13          Claims against the Debtors, was taken from CPF's business records maintained in the  
14          ordinary course of business or from information received from the Debtors from third  
15          parties. Every effort has been made to be as accurate as possible in the preparation of this  
16          Disclosure Statement.

17          This is a solicitation by CPF only and is not a solicitation by the Representatives of  
18          CPF. No statement or information concerning the Debtors or their assets or securities is  
19          authorized, other than as set forth in the Disclosure Statement. STATEMENTS MADE IN  
20          THIS DISCLOSURE STATEMENT REGARDING THE FINANCIAL PERFORMANCE  
21          AND PREPETITION AND POSTPETITION EVENTS OF THE DEBTORS ARE  
22          REPRESENTATIONS OF THE DEBTORS ONLY. CPF'S REFERENCE TO OR  
23          INCLUSION OF DOCUMENTS, REPORTS, PLEADINGS, PLANS, DISCLOSURE  
24          STATEMENTS OR OTHER MATERIALS FILED IN THESE CASES BY THE  
25          DEBTORS IS NOT AND SHALL NOT BE CONSTRUED AS AN ADOPTION BY CPF  
26          OF ANY REPRESENTATIONS MADE BY OR POSITIONS TAKEN BY THE  
26          DEBTORS IN THESE CASES OR OTHERWISE OR AS ANY TYPE OF ADMISSION

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1 BY CPF. ANY SUCH MATERIALS ARE INCLUDED HEREIN SOLELY IN THE  
2 INTEREST OF FULL DISCLOSURE REGARDING THE COMPETING AND  
3 ADVERSARIAL POSITIONS ASSERTED BY VARIOUES PARTIES IN THESE  
4 CASES, INCLUDING CPF AND THE DEBTORS. IN MOST CASES, CPF DISPUTES  
5 THE STATEMENTS AND POSITIONS TAKEN BY THE DEBTORS IN THESE  
6 CASES, IN PARTICULAR THE DEBTORS' ALLEGATIONS REGARDING THE  
7 VALUE OF THE DR PROPERTY.

8 **III.**  
9 **BACKGROUND & EVENTS LEADING TO FILING**

10 **A. About CPF Vaseo Associates, LLC.**

11 CPF is a Delaware limited liability company. The members of CPF are CPF Desert  
12 Ridge, LLC, which is an affiliate of Crown Realty & Development, Abrams Capital  
13 Partners I, L.P., Abrams Capital Partners II, L.P., and Whitecrest Partners, LP, which are  
14 affiliates of Abrams Capital.

15 Crown Realty & Development was established in 1994 by Robert Flaxman and  
16 Jamie Sohacheski to apply intelligent real estate strategies with determined and reliable  
17 execution. Headquartered in Costa Mesa, California and with offices in Beverly Hills,  
18 Burbank and Scottsdale, Arizona, the firm's current portfolio exceeds 2.3 million square  
19 feet of office, retail, multifamily and industrial projects, with a portfolio value approaching  
20 \$600 million. Crown's real estate activities are focused in primary markets in California,  
21 Arizona, Virginia, Idaho, and North Carolina.

22 Abrams Capital is a Boston-based investment firm founded in 1999 by David  
23 Abrams. The firm's investment strategy is opportunistic and follows a fundamental, value-  
24 oriented approach. Investments generally are made with a long-term time horizon and are  
25 typically unlevered and long-biased. Abrams Capital and its affiliates have invested across  
26 a wide spectrum of asset types, investment strategies, market sectors, market cycles and  
industries. This spectrum includes, but is not limited to, domestic and foreign equity and

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1 debt securities, distressed securities, and private and/or illiquid investments.

2 **B. The Debtors.**

3 The May Debtors and the July Debtors have filed competing plans of reorganization.  
4 *See Disclosure Statement to Accompany Second Amended Chapter 11 Plan of*  
5 *Reorganization For Epicenter Partners LLC and Gray Meyer Fannin LLC [Dkt. 280]*  
6 for the May Debtors' description of their background, the events the Debtors claim led to  
7 the EP and GMF Chapter 11 filings, and the May Debtors' plan. *See Debtors' Disclosure*  
8 *Statement in Support of Chapter 11 Plan of Reorganization for Sonoran Desert Land*  
9 *Investors LLC, East of Epicenter LLC, and Gray Phoenix Desert Ridge II LLC, Amended*  
10 *March 2017 [Dkt. 458]* for the July Debtors' description of their background, events the  
11 Debtors claim led to the SDLI, GPDR II, and EoE Chapter 11 filings, and the July Debtors'  
12 plan.

13 **C. The May Debtors.**

14 EP and GMF are the lessees under the Arizona State Land Department Commercial  
15 Lease No. 003-052415-99, as amended (the "Core Lease") for the 96.5 Acre Parcels.  
16 Pursuant to the Settlement Agreement, dated May 30, 2014 executed by and between ASLD  
17 and the Debtors, and the May 30, 2014 letter from ASLD to EP and GMF, ASLD granted  
18 EP and GMF an extension of time through July 7, 2017 at 4:30 p.m. to pay all rent, interest,  
19 and penalties due under the Core Lease for the period of time beginning July 7, 2012 and  
20 ending July 6, 2017 in the total amount of \$4,149,393.78. If the deferred lease payments  
21 are not timely paid, the 96.5 Acre Lease will terminate.

22 The Debtors' rights under the Core Lease are subject to all recorded documents  
23 affecting the 96.5 Acre Parcels, including, but not limited to: Declaration of Covenants,  
24 Conditions, Restrictions and Easements for Desert Ridge, recorded as Instrument No. 94-  
25 0106341, as amended; Declaration of Covenants, Conditions, Restrictions and Easements  
26 for Desert Ridge Commercial Core, recorded as Instrument No. 2000-0555236, as

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1 amended; Tract Declaration for Desert Ridge Commercial Core, recorded as Instrument No.  
2 2000-0555237, as amended; Map of Dedication for City North, recorded as Instrument No.  
3 2007-1180844; Mutual Easement Agreement, recorded as Instrument No. 2012-584410;  
4 Access and Utility Easement Agreement, recorded as Instrument No. 2013-347897; various  
5 Assignment Leases affecting property within the Desert Ridge Commercial Core; and Other  
6 recorded documents affecting property with the Desert Ridge Master Planned Community  
7 and the Desert Ridge Commercial Core.

8 CPF holds first and prior, valid and perfected liens and security interests in the 96.5  
9 Acre Parcels (and all rights of EP and GMF under the Core Lease), and all Declarant and  
10 Master Developer Rights held by EP and GMF as security for debts totaling \$71,701,083,  
11 as of December 31, 2016, plus accrued and accruing interest, attorneys' fees, and collection  
12 costs recoverable by CPF under the terms of its loan documents. *See* Claim 10-1 filed by  
13 CPF against EP in Case 2:16-bk-05493-MCW; Claim 1-1 filed by CPF against GMF, Case  
14 2:16-bk-05494-MCW.

15 The Debtors claim that the 96.5 Acre Parcels are worth \$121,100,000 based on a  
16 series of appraisals authored by Thomas Raynak of CBRE. Martori & Company, retained  
17 by CPF to appraise the 96.5 Acre Parcels, concluded an "as is" value of \$54,000,000.

18 **D. The July Debtors.**

19 GPDR II is the lessee under the Arizona State Land Department Commercial Lease  
20 No. 003-116780-99, as amended (the "20 Acre Lease") for the 20 Acre Parcel. Pursuant to  
21 the Settlement Agreement, dated May 30, 2014 executed by and between ASLD and the  
22 Debtors, and the May 29, 2014 letter from ASLD to GPDR II, ASLD granted GPDR II an  
23 extension of time through July 7, 2017 at 4:30 p.m. to pay all rent, interest, and penalties  
24 due under the 20 Acre Lease for the period of time beginning July 7, 2013 and ending July  
25 6, 2017 in the total amount of \$691,589.85. If the deferred lease payments are not timely  
26 paid, the 20 Acre Lease will terminate.

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1 GPDR II's rights under the 20 Acre Lease are subject to all recorded documents  
2 affecting the 20 Acre Parcel, including, but not limited to: Declaration of Covenants,  
3 Conditions, Restrictions and Easements for Desert Ridge, recorded as Instrument No. 94-  
4 0106341, as amended; Declaration of Covenants, Conditions, Restrictions and Easements  
5 for Desert Ridge Commercial Core, recorded as Instrument No. 2000-0555236, as  
6 amended; Tract Declaration for Desert Ridge Commercial Core, recorded as Instrument No.  
7 2000-0555237, as amended; Map of Dedication for City North, recorded as Instrument No.  
8 2007-1180844; Mutual Easement Agreement, recorded as Instrument No. 2012-584410;  
9 Access and Utility Easement Agreement, recorded as Instrument No. 2013-347897; various  
10 Assignment Leases affecting property within the Desert Ridge Commercial Core; and Other  
11 recorded documents affecting property with the Desert Ridge Master Planned Community  
12 and the Desert Ridge Commercial Core.

13 On June 3, 2016, CPF acquired a loan in the original principal amount of \$3.7 million  
14 made by Pacific Coach, Inc. to EoE (the "\$3.7 MM Loan"). The \$3.7 MM Loan is secured  
15 by approximately 5.92 acres of fee simple land owned by EoE known as Parcel 2H, located  
16 near the northeast corner of Highway 101 and 56<sup>th</sup> Street in Maricopa County, AZ ("Parcel  
17 2H") and any related leases and plans. CPF filed Claim No. 5-1 filed in the EOE case, 2:16-  
18 bk-07660, on October 20, 2016, which reflects that, as of the petition date of the EOE case,  
19 CPF was owed \$4,364,146.17 plus accrued and accruing interest, late fees, attorneys' fees  
20 and costs. As of October 31, 2016, the debt owed by EoE totaled \$4,714,065.75 plus  
21 accrued and accruing interest, late fees, attorneys' fees and costs. The interest per diem is  
22 \$1,824.66, and the late fee per diem is \$1,500.

23 On June 3, 2016, CPF acquired a loan in the original principal amount of \$26.5  
24 million made by Pacific Coach, Inc. to GPDR II and SDLI (the "\$26.5 MM Loan"). The  
25 \$26.5 MM Loan is secured by senior liens on (a) a 20 acre portion of Desert Ridge Parcel  
26 H-2, Superblock 5.A, leased by GPDR II (the "20 Acre Parcel"), and (ii) approximately

1 3.74 acres of fee simple property, owned by SDLI, located northeast of the intersection of  
2 Camelback Road and Scottsdale Road in Maricopa County, AZ (the “Blue Sky Property”)  
3 and any related leases and plans. The \$26.5 MM Loan also is secured by a *Second Deed of*  
4 *Trust, Assignment of Rents, and Security Agreement*, dated December 10, 2014, and  
5 recorded in the Official Records of Maricopa County Recorder as Instrument No.  
6 20140812399, encumbering Parcel 2H.

7 CPF filed Claim 5-1 in the SDLI case, No. 2:16-bk-07659, and Claim 2-1 in the  
8 GPRD II case, No. 2:16-bk-07661, which reflect that as of the petition date of the SDLI and  
9 GPDR II cases, CPF was owed \$30,518,917.81 plus accrued and accruing interest, late fees,  
10 attorneys’ fees and costs. As of December 31, 2016, CPF is owed \$34,648,178, plus  
11 accrued and accruing interest, attorneys’ fees, and collection costs recoverable by CPF  
12 under the terms of its loan documents.

13 The Debtors claim that the 20 Acre Parcel is worth \$27,300,000 based on a series of  
14 appraisals authored by Thomas Raynak of CBRE (valuing the 20 Acre Parcel at a range of  
15 \$18,100,000 - \$27,300,000, as of August 8, 2016). Martori & Company, retained by CPF  
16 to appraise the 20 Acre Parcel, concluded an “as is” value of \$13,067,950.

17 **IV.**  
18 **POSTPETITION PROCEEDINGS AND EVENTS**

19 **A. Summary Of Key Events Related To The Bankruptcy Cases.**

20 1. Ganymede Adversary (2:16-ap-00334-MCW).

21 On July 19, 2017, EP and GMF (the “May Debtors”) filed a Complaint against CPF  
22 initiating the Ganymede Adversary, which represents the May Debtors’ attempt to unwind  
23 litigation finance transactions entered into by well represented, sophisticated financial  
24 parties over a course of four (4) years beginning in December 2009. In 2009, desiring  
25 funding to continue his high-stakes litigation over the Desert Ridge property, that is the  
26 subject of these Cases and the adversary proceeding, Bruce Gray negotiated with Ganymede  
to provide immediate funding of \$6 million that was secured by a lien on the Litigation

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1 Claim, proceeds of the Litigation Claim, and related assets pursuant to the “Security  
2 Agreement and Collateral Assignment” dated as of 12/22/09. In exchange, the May Debtors  
3 promised to reimburse the \$6 million advance and pay Ganymede up to 40% of the recovery  
4 in the event Gray and the May Debtors were successful in their litigation.<sup>2</sup> That litigation,  
5 funded by Ganymede, resulted in the May Debtors obtaining a \$6 million settlement in  
6 May, 2010, from one defendant, and a \$110,658,800 judgment in October 2010 against the  
7 remaining defendants.

8 Two and a half years after the judgment was entered, and more than 13 months after  
9 Gray and the May Debtors settled the judgment in exchange for assignments of the lease  
10 rights to the Secured Land and the Master Developer and Declarant Rights for Desert Ridge,  
11 valued by the May Debtors at \$140 – 170 million, Ganymede remained unpaid. In April  
12 2013, Gray and the May Debtors agreed to settle the amounts owed to Ganymede under the  
13 Forward Purchase Agreement. The parties agreed that the total amount owing from the  
14 May Debtors to Ganymede was \$50,713,000 (inclusive of all interest, fees, costs, and 40%  
15 of the litigation recovery); the May Debtors executed a promissory note payable to  
16 Ganymede in that amount; and the May Debtors granted Ganymede a lien in the Secured  
17 Land and Master Developer and Declarant Rights to secure the payment of the Liquidated  
18 Sum.<sup>3</sup> The May Debtors confirmed that they had no “existing claims, defenses, personal or  
19 otherwise, or rights of setoff whatsoever” with respect to the Forward Purchase Agreement  
20 and the Transaction Documents. And, the May Debtors expressly waived, released and  
21 absolutely and forever discharged Ganymede from and any all claims as of the date of the  
22

23 \_\_\_\_\_  
24 <sup>2</sup> Over time the original \$6.0 million advance was increased to \$6.775 million.

25 <sup>3</sup> The Forward Purchase Agreement contemplated repayment of Ganymede out of the proceeds of  
26 the judgment obtained by the May Debtors against NPP. Because the judgment was resolved by a transfer  
of NPP’s rights in the Secured Land and the Master Developer and Declarant Rights, the obligation of the  
May Debtors under the Forward Purchase Agreement was resolved through the promissory note and lien  
granted to Ganymede on the Secured Land and the Master Developer and Declarant Rights.

1 settlement.<sup>4</sup>

2 Ganymede agreed that the May Debtors would have until December 31, 2015 to pay  
3 off the debt, with the ability to extend the maturity date by an additional year provided that  
4 certain conditions were met related to progress in the development of the Secured Land or  
5 pay down of the debt, and evidence that the value of the remaining Secured Land was  
6 sufficient to provide an equity cushion equal to the remaining amounts owed to Ganymede  
7 as of the beginning of the extension period. Notably, Ganymede also heavily incentivized  
8 Gray and the May Debtors to repay the debt sooner rather than later by offering steep  
9 discounts in exchange for early payment. For example, the May Debtors could have paid  
10 off the entire Ganymede debt on June 30, 2013 for \$18,439,000, approximately 36.4% of  
11 the principal amount of the note.<sup>5</sup>

12 By December 31, 2015, six years after the initial Ganymede advance, and eighteen  
13 months after the parties had settled the amounts owed to Ganymede under the Forward  
14 Purchase Agreement, the May Debtors had made little to no progress in either developing  
15 the Secured Land or paying down the debt. Instead, CPF alleges that Gray began  
16 threatening litigation in an attempt to push Ganymede into offering further concessions.  
17 Ganymede refused to do so. Instead, after the May Debtors defaulted on December 31,  
18 2015, Ganymede initiated foreclosure proceedings and eventually sold its note and deed of  
19 trust to CPF, along with the STB Note and STB DOT representing an additional  
20 \$2,956,703.66 of unpaid attorneys' fees and costs the May Debtors still owed from the  
21 litigation settled in May 2012.

22 The May Debtors now claim in the Ganymede Adversary (without specificity) that  
23 Ganymede coerced Gray into accepting its money, that each of the 15 plus transaction

24 \_\_\_\_\_  
25 <sup>4</sup> See Complaint, Exhibit 19.

26 <sup>5</sup> *Id.* Exhibit A to the 4/22/2013 Agreement reflects the agreed upon quarterly Discounted Payment  
Amounts, ranging from \$15,500,000 on September 30, 2012 to \$37,612,000 on December 31, 2015. See  
Complaint, Exhibit 19, at page 13.

1 documents executed by Gray and the May Debtors over the course of 4 years were contracts  
2 of adhesion, and that when the May Debtors settled the amounts owed to Ganymede and  
3 granted Ganymede security interests in the Secured Land and Master Developer and  
4 Declarant Rights, the Debtors intended to hinder, delay, or defraud their other creditors.  
5 The May Debtors also allege that Ganymede acted improperly when it eventually sold its  
6 note and deed of trust to CPF. Based on this alleged conduct by Ganymede, the May  
7 Debtors ask the Court to avoid the liens securing CPF's claims, to equitably subordinate  
8 CPF's claims and transfer CPF's liens to the bankruptcy estates, and to recharacterize CPF's  
9 claims as equity.

10 Following oral argument on October 5, 2016, the Court granted CPF's motion to  
11 dismiss the complaint for failure to state a claim upon which relief may be granted, but  
12 authorized the May Debtors to file an amended complaint. [Adv. Dkt. 51]. The May  
13 Debtors' filed an amended complaint on November 28, 2016. [Adv. Dkt. 60]. CPF  
14 contends that the amended complaint suffers from all of the same deficiencies as the original  
15 complaint, and that it fails to state a claim upon which relief may be granted. A hearing on  
16 CPF's motion to dismiss the amended complaint was held on February 2, 2017. The Court  
17 took the matter under advisement. Additional information regarding the Ganymede  
18 Adversary can be found on Pacer:

19 [https://ecf.azb.uscourts.gov/cgi-bin/DktRpt.pl?368948727314145-L\\_1\\_0-1](https://ecf.azb.uscourts.gov/cgi-bin/DktRpt.pl?368948727314145-L_1_0-1)

20 2. Lien Avoidance Adversary (2:16-ap-00395-MCW).

21 On August 16, 2016, the May Debtors filed a complaint against CPF initiating the  
22 Lien Avoidance Adversary, and asking the Court to avoid a duly executed and recorded  
23 *Assignment of Rights as Master Developer and Declarant* (the "Collateral Assignment")  
24 executed and delivered by the May Debtors to Ganymede, as additional security for the  
25 Ganymede debt. The May Debtors allege that the Court should avoid the security interest  
26 they granted to Ganymede and Simpson Thatcher & Bartlett LLP ("STB"), later assigned



1 by Ganymede to CPF, in all of the May Debtors' rights as "Master Developer" and  
2 "Declarant" under the Master CC&Rs for Desert Ridge Master Planned Community,  
3 because the Arizona State Land Department ("ASLD") allegedly did not pre-approve CPF  
4 as Master Declarant in the event that CPF foreclosed its Deed of Trust and the Collateral  
5 Assignment. CPF contends that the Collateral Assignments are properly perfected and  
6 unavoidable, and that ASLD approval of CPF as Master Developer is not necessary or  
7 appropriate unless and until CPF becomes the lessee under the Desert Ridge Commercial  
8 Core lease.

9 CPF filed a motion to dismiss the Lien Avoidance Adversary with prejudice. The  
10 Court heard oral argument on November 9, 2016, and then took the matter under  
11 advisement. On March 31, 2017, the Bankruptcy Court entered its *ORDER Granting*  
12 *Motion To Dismiss Without Prejudice, With Leave To File Amended Complaint* [Adv. Dkt.  
13 23]. Additional information on the Lien Avoidance Adversary is available on Pacer:  
14 [https://ecf.azb.uscourts.gov/cgi-bin/DktRpt.pl?105460982025549-L\\_1\\_0-1](https://ecf.azb.uscourts.gov/cgi-bin/DktRpt.pl?105460982025549-L_1_0-1)

15 3. The May Debtors' Plan.

16 The May Debtors' cases were filed on May 16, 2016. On August 12, 2016, the May  
17 Debtors filed their original joint plan of reorganization. [Dkt. 87]. CPF contends that the  
18 May Debtors' partial dirt for debt plan proposed to satisfy CPF's secured claims based on  
19 a judicial determination of the value of CPF's collateral, as of the effective date of the Plan,  
20 and a transfer of a portion of that collateral to CPF at some date in the future (estimated by  
21 the May Debtors to be 2 – 3 years post-confirmation). No disclosure statement was filed  
22 by the May Debtors at the time that they filed their original plan.

23 On August 29, 2016, CPF filed its *Motion for Relief from the Automatic Stay with*  
24 *Respect to All Collateral Securing CPF's Secured Claims* [Dkt. 113]. CPF asked the Court  
25 to grant CPF relief from all applicable stays and injunctions, including the automatic stay  
26 of 11 U.S.C. § 362(a), pursuant to 11 U.S.C. § 362(d)(3), based on the fact that the May

1 Debtors failed to either file a plan that had a reasonable likelihood of being confirmed within  
2 a reasonable time or begin making interest payments to CPF within 90 days of the petition  
3 date. Among other things, CPF argued that, based on *In re Arnold & Baker Farms*, 85 F.3d  
4 1415 (9th Cir. 1996) and related cases, the Court's judicial valuation of the May Debtors'  
5 property based on disputed and widely varying appraisal evidence, cannot provide the  
6 absolute certainty required to establish indubitable equivalence, and therefore, the May  
7 Debtors' Plan was unconfirmable on its face. *See* Dkt. 170, pp. 5-9.

8 Two days after the CPF stay relief motion was filed, on August 31, 2016, the May  
9 Debtors filed a disclosure statement, but did not obtain a hearing date. [Dkt. 128]. On  
10 September 9, 2016, the May Debtors noticed a disclosure statement hearing for October 18,  
11 2016. [Dkt. 137]. On October 17, 2016, the day before the hearing on the CPF stay relief  
12 motion and the May Debtors' disclosure statement, the May Debtors filed a statement of  
13 position effectively withdrawing the existing plan and stating that an amended plan and  
14 disclosure statement would be filed based on negotiations with the Committee. [Dkt. 190].

15 On October 18, 2016, the Court set October 28, 2016 as the deadline for the May  
16 Debtors to file an amended plan and disclosure statement, and took the CPF stay relief  
17 motion under advisement. On October 28, 2016, the May Debtors filed an amended plan  
18 and disclosure statement. [Dkt. 206 – 209]. CPF contends, that the amended plan suffers  
19 from many of the same other defects of the original plan, including improper classification  
20 of claims, improper substantive consolidation of the May Debtors, and other defects  
21 discussed in the CPF stay relief motion. On February 1, 2017, the May Debtors filed a *Non-*  
22 *Adverse Modification to Second Amended Chapter 11 Plan of Reorganization for Epicenter*  
23 *Partners LLC and Gray Meyer Fannin LLC [DE 278]* at Docket 348. CPF contends that  
24 the May Debtors' latest filing does nothing to cure the defects of the May Debtors' plan and  
25 reserves all rights and objections in relation thereto.

26 At the request of the Debtors, the Court scheduled an evidentiary hearing for

1 February 8 – 10, 2017 to (a) determine the value of the 96.5 Acre Parcels and the 20 Acre  
2 Parcel, and (b) determine if the May Debtors’ plan provides CPF with the indubitable  
3 equivalent of its secured claims. The Court is holding is ruling on CPF’s stay relief motion  
4 in abeyance pending the outcome of the valuation/indubitable equivalence hearing. The  
5 valuation and indubitable equivalent trial is scheduled to conclude on April 21, 2017.

6 4. The July Debtors’ Plan.

7 The July Debtors’ cases were filed on July 6, 2016. On October 4, 2016, the July  
8 Debtors filed a joint plan of reorganization. [Dkt. 169]. On November 23, 2016, CPF filed  
9 a stay relief motion with respect to the July Debtors. [Dkt. 237]. CPF contends that it is  
10 entitled to immediate stay relief under each independent basis for relief provided under  
11 Bankruptcy Code §§ 362(d)(1), (2), and (3). The July Debtors filed an amended plan on  
12 March 27, 2017. *See Debtors’ Disclosure Statement in Support of Chapter 11 Plan of*  
13 *Reorganization for Sonoran Desert Land Investors LLC, East of Epicenter LLC, and*  
14 *Gray Phoenix Desert Ridge II LLC, Amended March 2017* [Dkt. 458]. The Court is  
15 holding is ruling on CPF’s stay relief motion in abeyance pending the outcome of the  
16 valuation/indubitable equivalence hearing.

17 5. The Debtors’ Operating Results.

18 None of the Debtors generate any revenue, and CPF contends that they are unable to  
19 pay their normal operating expenses, interest payments to CPF, lease payments to ASLD or  
20 any other reorganization expenses. More information regarding the Debtors’ operations  
21 can be obtained by viewing the Debtors’ monthly operating reports on Pacer.

22 6. Claims against the Debtors.

23 a. ASLD Deferred Lease Payments. The May Debtors owe ASLD  
24 deferred lease payments totaling \$4,149,393.78 for the period of time beginning July  
25 7, 2012 and ending July 6, 2017. If the deferred lease payments are not timely paid  
26 by July 7, 2017 at 4:30 p.m., the 96.5 Acre Lease will terminate. GPDR II owes

1 ASLD deferred lease payments totaling \$691,589.85 for the period of time beginning  
2 July 7, 2013 and ending July 6, 2017. If the deferred lease payments are not timely  
3 paid by July 7, 2017 at 4:30 p.m., the 20 Acre Lease will terminate.

4 b. CPF Secured Claims. As of April 30, 2017, CPF contends that the  
5 May Debtors will owe CPF at least \$80,051,419, plus accrued and accruing interest,  
6 attorneys' fees and collection costs. Interest continues to accrue and compound  
7 monthly. As of April 30, 2017, CPF contends that GPDR II and SDLI will owe CPF  
8 at least \$37,370,260, plus accrued and accruing interest, late fees, attorneys' fees,  
9 and collection costs. As of April 30, 2017, CPF contends that EoE will owe CPF at  
10 least \$5,315,829 plus accrued and accruing interest, late fees, attorneys' fees, and  
11 collection costs.

12 c. Other Claims. Copies of the current Claims Registers for EP, GMF,  
13 SDLI, EoE, and GPDR II are attached hereto as Exhibits D - H.

14 MORE DETAILED AND UPDATED INFORMATION REGARDING POST-  
15 PETITION EVENTS IN THE BANKRUPTCY CASE, AND CLAIMS ASSERTED  
16 AGAINST THE DEBTORS CAN BE OBTAINED BY ACCESSING THE DOCKET IN  
17 THE BANKRUPTCY CASE ON PACER.

18 **V.**  
19 **SUMMARY OF THE PLAN**

20 The following provides a summary of the overall structure and classification of  
21 claims against or interests in the Debtors and is qualified in its entirety by reference to the  
22 Plan, which is attached as Exhibit "A". The statements in this Disclosure Statement include  
23 summaries of the provisions contained in the Plan. This summary does not purport to be a  
24 complete statement of all terms in the Plan, and reference is made to the Plan for the full  
25 and complete statement of such terms. The Plan controls the treatment of Claims against  
26 and Equity Security Interests in the Debtors. Where Claims are divided into subclasses in  
the Plan, each subclass will be considered to be a separate class for all confirmation

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1 purposes, including treatment and voting on the Plan.

2 **A. Classification Of Claims And Equity Security Interests**

3 The Plan classifies Claims and Equity Security Interests in various Classes according  
4 to their right to priority of payments as provided in the Bankruptcy Code. The Plan states  
5 whether each Class of Claims or Equity Security Interests are impaired or unimpaired. The  
6 Plan provides the treatment each Class will receive under the Plan. In accordance with the  
7 requirements of the Bankruptcy Code, Allowed Administrative Expense Claims and  
8 Priority Tax Claims are not set forth in Classes and are not entitled to vote on the Plan. The  
9 Allowed Claims against the Debtors' Estates are divided into the following classes:<sup>6</sup>

10 1. Class 1 (Secured Tax Claims). Class 1 consists of any Secured Tax Claims  
11 filed by the Maricopa County Treasurer against the Debtors.

12 a. Class 1.1 (Secured Tax Claims Against EP). Class 1.1 consists of any  
13 Secured Tax Claims filed against EP.

14 b. Class 1.2 (Secured Tax Claims Against SDLI). Class 1.2 consists of  
15 any Secured Tax Claims filed against SDLI.

16 c. Class 1.3 (Secured Tax Claims Against EoE). Class 1.3 consists of  
17 any Secured Tax Claims filed against EoE.

18 2. Class 2 (CPF Secured Claims). Class 2 consists of CPF's Secured Claims  
19 against the Debtors.

20 a. Class 2.1 (CPF Secured Claims against EP and GMF). Class 2.1  
21 consists of CPF's Secured Claims against EP and GMF.

22 b. Class 2.2 (CPF Secured Claim against GPDR II and SDLI). Class 2.2  
23 consists of CPF's Secured Claims against GPDR II and SDLI.

24 c. Class 2.3 (CPF Secured Claim against EoE). Class 2.3 consists of  
25 CPF's Secured Claim against EoE.

26  

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<sup>6</sup> See Plan at Sec. 3.2.  
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1           3.     Class 3 (DRCA Secured Claim). Class 3 consists of the Secured Claim of  
2 DRCA against EoE.

3           4.     Class 4 (Non-Insider Unsecured Claims). Class 3 consists of any Non-Insider  
4 Unsecured Claims against the Debtors existing as of the Confirmation Date.

5           a.     Class 4.1 (EP Non-Insider Unsecured Claims). Class 4.1 consists of  
6 all Non-Insider Unsecured Claims against EP.

7           b.     Class 4.2 (GMF Non-Insider Unsecured Claims). Class 4.2 consists  
8 of all Non-Insider Unsecured Claims against GMF.

9           c.     Class 4.3 (SDLI Non-Insider Unsecured Claims). Class 4.3 consists  
10 of all Non-Insider Unsecured Claims against SDLI.

11          d.     Class 4.4 (EoE Non-Insider Unsecured Claims). Class 4.4 consists of  
12 all Non-Insider Unsecured Claims against EoE.

13          e.     Class 4.5 (GPDR II Non-Insider Unsecured Claims). Class 4.5  
14 consists of all Non-Insider Unsecured Claims against GPDR II.

15          5.     Class 5 (Insider Unsecured Claims). Class 5 consists of any Insider  
16 Unsecured Claims against the Debtors existing as of the Confirmation Date.

17          a.     Class 5.1 (EP Insider Unsecured Claims). Class 5.1 consists of all  
18 Insider Unsecured Claims against EP.

19          b.     Class 5.2 (GMF Insider Unsecured Claims). Class 5.2 consists of all  
20 Insider Unsecured Claims against GMF.

21          c.     Class 5.3 (SDLI Insider Unsecured Claims). Class 5.3 consists of all  
22 Insider Unsecured Claims against SDLI.

23          d.     Class 5.4 (EoE Insider Unsecured Claims). Class 5.4 consists of all  
24 Insider Unsecured Claims against EoE.

25          e.     Class 5.5 (GPDR II Insider Unsecured Claims). Class 5.5 consists of  
26 all Insider Unsecured Claims against GPDR II.

1           6.     Class 6 (Equity Security Interests). Class 6 consists of the Equity Security  
2 Interests in each of the Debtors.

3           a.     Class 6.1 (EP Equity Security Interests). Class 6.1 consists of all  
4 Equity Security Interests in EP.

5           b.     Class 6.2 (GMF Equity Security Interests). Class 6.2 consists of all  
6 Equity Security Interests in GMF.

7           c.     Class 6.3 (SDLI Equity Security Interests). Class 6.3 consists of all  
8 Equity Security Interests in SDLI.

9           d.     Class 6.4 (EoE Equity Security Interests). Class 6.4 consists of all  
10 Equity Security Interests in EoE.

11          e.     Class 6.5 (GPDR II Equity Security Interests). Class 6.5 consists of  
12 all Equity Security Interests in GPDR II.

13          7.     Class 7 (Emerald Equities Claim). Class 7 consists of the Claim asserted by  
14 Emerald Equities against EP and SDLI.

15 **B. Summary of Treatment Of Claims Not Impaired Under The Plan.<sup>7</sup>**

16          1.     Every Creditor holding an Allowed Administrative Claim against the Debtors  
17 will be paid, in full satisfaction of their Allowed Claim: (a) fully and in Cash on or before  
18 ten (10) Business Days after the Effective Date if the Claim is then an Allowed Claim; (b)  
19 fully and in Cash within ten (10) Business Days after the entry of a Final Order allowing  
20 the Claim, if the Claim is not an Allowed Claim as of the Effective Date; (c) as otherwise  
21 agreed in writing by the Creditor holding the Allowed Administrative Claim and the  
22 Reorganized Debtors; or (d) as otherwise ordered by the Bankruptcy Court. “Allowed  
23 Administrative Expense Claim” shall not, for any purpose under the Plan, include interest  
24 on such Administrative Expense Claim from and after the Petition Date. Requests for  
25 allowance and payment of Administrative Expenses must be filed and served no later than

26 \_\_\_\_\_  
<sup>7</sup>  
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See Plan at Article 5.

1 thirty (30) days after the Effective Date. Administrative Claims are unimpaired pursuant to  
2 the Plan and votes to accept or reject the Plan will not be solicited from Creditors holding  
3 Administrative Claims.

4 2. Objections. Notwithstanding any other provision of the Plan to the contrary,  
5 any objections to motions or applications seeking the allowance and payment of  
6 Administrative Expense Claims, including Professional Fee Claims, must be filed and  
7 served within the normal time limits established by the Federal Rules of Bankruptcy  
8 Procedure and the Local Rules of Bankruptcy Procedure for the District of Arizona, or as  
9 otherwise ordered by the Bankruptcy Court. CPF shall be entitled to object to any  
10 Administrative Expense Claims, including Professional Fee Claims.

11 3. U.S. Trustee Fees. All fees payable pursuant to section 1930 of Title 28 of  
12 the United States Code, as determined by the Bankruptcy Court at the Confirmation  
13 Hearing, shall be paid on the Effective Date, or as due in the normal course of billing and  
14 payment. The Reorganized Debtors shall be responsible for timely payment of fees incurred  
15 pursuant to 28 U.S.C. § 1930(a)(6). The Reorganized Debtors shall file with the Bankruptcy  
16 Court, and serve on the United States Trustee, a quarterly financial report for each quarter  
17 (or portion thereof) that the cases remain open in a format prescribed by the United States  
18 Trustee and provided to the Reorganized Debtors by the United States Trustee, and shall  
19 pay such quarterly fees as become due for each quarter post-confirmation that the cases  
20 remain open. No motion or application is required to fix fees payable to the Clerks' Office  
21 or the Office of the United States Trustee, as those fees are determined by statute.

22 4. Priority Tax Claims. Priority Tax Claims are certain pre-Petition Date  
23 unsecured income, employment and other taxes described by Section 507(a)(8) of the  
24 Bankruptcy Code. Holders of Allowed Priority Tax Claims will be paid in full and in cash  
25 within five (5) years of the Petition Date through regular equal monthly installments of  
26 principal and interest. Priority Tax Claims will be allowed in the principal amount of the



1 tax due as of the Petition Date, with interest at the applicable statutory rate from the  
2 Effective Date in accordance with section 511 of the Bankruptcy Code. No amounts  
3 attributable to penalties imposed or sought to be imposed by holders of Priority Tax Claims  
4 will be paid. Priority Tax Claims are unimpaired pursuant to the Plan and votes to accept  
5 or reject the Plan will not be solicited from Creditors holding Priority Tax Claims.

6 **C. Summary of Treatment Of Claims Impaired Under The Plan.**<sup>8</sup>

7 1. Class 1 (Secured Tax Claims). Class 1 consists of any Secured Tax Claims  
8 filed by the Maricopa County Treasurer against the Debtors.

9 a. Class 1.1 (Secured Tax Claims Against EP). Class 1.1 consists of the  
10 Secured Tax Claims filed by the Maricopa County Treasurer against EP. The holder  
11 of the Class 1.1 Secured Tax Claim shall retain its Lien in its prepetition Collateral.  
12 The holder of the Class 1.1 Secured Tax Claim shall be paid, in full satisfaction of  
13 the Allowed amount of such Class 1.1 Secured Tax Claim, with interest at the  
14 applicable statutory rate in accordance with section 511 of the Bankruptcy Code: (a)  
15 fully and in Cash on or before ten (10) Business Days after the Effective Date if the  
16 Claim is then an Allowed Claim; (b) fully and in Cash within ten (10) Business Days  
17 after the entry of a Final Order allowing the Claim, if the Claim is not an Allowed  
18 Claim as of the Effective Date; (c) as otherwise agreed in writing by the Creditor  
19 holding the Class 1.1 Secured Tax Claim and the Reorganized Debtors; or (d) as  
20 otherwise ordered by the Bankruptcy Court. Upon the payment in full of the  
21 Allowed amount of the Class 1.1 Secured Tax Claim, the statutory Lien securing  
22 such Claim shall be deemed extinguished. The Class 1.1 Secured Tax Claim is  
23 impaired under the Plan, and the holder is entitled to vote to accept or reject the Plan.

24 b. Class 1.2 (Secured Tax Claims Against SDLI). Class 1.2 consists of  
25 the Secured Tax Claims filed by the Maricopa County Treasurer against SDLI. The  
26

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<sup>8</sup> See Plan at Article 6.  
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1 holder of the Class 1.2 Secured Tax Claim shall retain its Lien in its prepetition  
2 Collateral. The holder of the Class 1.2 Secured Tax Claim shall be paid, in full  
3 satisfaction of the Allowed amount of such Class 1.1 Secured Tax Claim, with  
4 interest at the applicable statutory rate in accordance with section 511 of the  
5 Bankruptcy Code: (a) fully and in Cash on or before ten (10) Business Days after the  
6 Effective Date if the Claim is then an Allowed Claim; (b) fully and in Cash within  
7 ten (10) Business Days after the entry of a Final Order allowing the Claim, if the  
8 Claim is not an Allowed Claim as of the Effective Date; (c) as otherwise agreed in  
9 writing by the Creditor holding the Class 1.2 Secured Tax Claim and the  
10 Reorganized Debtors; or (d) as otherwise ordered by the Bankruptcy Court. Upon  
11 the payment in full of the Allowed amount of the Class 1.2 Secured Tax Claim, the  
12 statutory Lien securing such Claim shall be deemed extinguished. The Class 1.2  
13 Secured Tax Claim is impaired under the Plan, and the holder is entitled to vote to  
14 accept or reject the Plan.

15 c. Class 1.3 (Secured Tax Claims Against EoE). Class 1.3 consists of the  
16 Secured Tax Claims filed by the Maricopa County Treasurer against EoE. The  
17 holder of the Class 1.3 Secured Tax Claim shall retain its Lien in its prepetition  
18 Collateral. The holder of the Class 1.3 Secured Tax Claim shall be paid, in full  
19 satisfaction of the Allowed amount of such Class 1.3 Secured Tax Claim, with  
20 interest at the applicable statutory rate in accordance with section 511 of the  
21 Bankruptcy Code: (a) fully and in Cash on or before ten (10) Business Days after the  
22 Effective Date if the Claim is then an Allowed Claim; (b) fully and in Cash within  
23 ten (10) Business Days after the entry of a Final Order allowing the Claim, if the  
24 Claim is not an Allowed Claim as of the Effective Date; (c) as otherwise agreed in  
25 writing by the Creditor holding the Class 1.3 Secured Tax Claim and the  
26 Reorganized Debtors; or (d) as otherwise ordered by the Bankruptcy Court. Upon

1 the payment in full of the Allowed amount of the Class 1.3 Secured Tax Claim, the  
2 statutory Lien securing such Claim shall be deemed extinguished. The Class 1.3  
3 Secured Tax Claim is impaired under the Plan, and the holder is entitled to vote to  
4 accept or reject the Plan.

5 2. Class 2 (CPF Secured Claims). Class 2 consists of CPF's Secured Claims  
6 against the Debtors.

7 a. Class 2.1 (CPF Secured Claims against EP and GMF). Class 2.1  
8 consists of CPF's Secured Claims against EP and GMF. The Class 2.1 CPF Secured  
9 Claims shall be deemed to be Allowed Claims for all purposes under the Plan in the  
10 amount set forth in CPF's Claim 10-1 filed against EP and Claim 1-1 filed against  
11 GMF, plus all accrued post-petition interest, at the rates set forth in CPF's Claims  
12 and underlying loan documents. On account of, and in settlement of, the Class 2.1  
13 CPF Secured Claims, and in consideration of all of the benefits provided by CPF  
14 under the Plan, on the Effective Date, CPF shall receive 100% of the new Equity  
15 Security Interests in the EP and GMF, as reorganized under the Plan. The Class 2.1  
16 CPF Secured Claims are impaired under the Plan, and the holder is entitled to vote  
17 to accept or reject the Plan.

18 b. Class 2.2 (CPF Secured Claim against GPDR II and SDLI). Class 2.2  
19 consists of CPF's Secured Claims against GPDR II and SDLI. The Class 2.2 CPF  
20 Secured Claims shall be deemed to be Allowed Claims for all purposes under the  
21 Plan in the amount set forth in CPF's Claim 5-1 filed against SDLI and Claim 2-1  
22 filed against GPDR II, plus all accrued post-petition interest at the default rate set  
23 forth in CPF's proofs of claim and underlying loan documents. On account of, and  
24 in settlement of, the Class 2.2 CPF Secured Claims, and in consideration of all of the  
25 benefits provided by CPF under the Plan, on the Effective Date, CPF shall receive  
26 100% of the new Equity Security Interests in SDLI and GPDR II, as reorganized

1 under the Plan. Nothing in this Section 6.2.2 or any other provision of the Plan shall  
2 release, reduce or impair, or be deemed to have released, reduced, or impaired, CPF's  
3 separate and independent rights and Claims against Bruce Gray or Barbara Gray  
4 under their continuing guaranty. Similarly, nothing in this Section 6.2.2 or any other  
5 provision of the Plan shall release, reduce or impair, or be deemed to have released,  
6 reduced, or impaired any rights, Claims or defenses that Bruce Gray or Barbara Gray  
7 may have with respect to CPF and their related continuing guaranty. The Class 2.2  
8 CPF Secured Claims are impaired under the Plan, and the holder is entitled to vote  
9 to accept or reject the Plan.

10 c. Class 2.3 (CPF Secured Claim against EoE). Class 2.3 consists of  
11 CPF's Secured Claim against EoE. The Class 2.3 CPF Secured Claim shall be  
12 deemed to be Allowed Claims for all purposes under the Plan in the amount set forth  
13 in CPF's Claim 5-1 filed against EoE, plus all accrued post-petition interest at the  
14 default rate set forth in CPF's proofs of claim and underlying loan documents. On  
15 account of, and in settlement of, the Class 2.3 CPF Secured Claims, and in  
16 consideration of all of the benefits provided by CPF under the Plan, on the Effective  
17 Date, CPF shall receive 100% of the new Equity Security Interests in EoE, as  
18 reorganized under the Plan. Nothing in this Section 6.2.3 or any other provision of  
19 the Plan shall release, reduce or impair, or be deemed to have released, reduced, or  
20 impaired, CPF's separate and independent rights and Claim against Bruce Gray  
21 under his continuing guaranty. Similarly, nothing in this Section 6.2.3 or any other  
22 provision of the Plan shall release, reduce or impair, or be deemed to have released,  
23 reduced, or impaired any rights, Claims or defenses that Bruce Gray may have with  
24 respect to CPF or his related continuing guaranty. The Class 2.3 CPF Secured Claim  
25 is impaired under the Plan, and the holder is entitled to vote to accept or reject the  
26 Plan.

1           3.     Class 3 (DRCA Secured Claim). Class 3 consists of the Secured Claim of  
2 DRCA against EoE. DRCA shall retain its prepetition liens in its Collateral to the same  
3 extent, validity and priority as existed on the Petition Date. In full satisfaction of the  
4 Allowed amount, if any, of its Class 3 Secured Claim, DRCA shall be paid the Allowed  
5 Amount of the Class 3 Secured Claim in twelve equal monthly installments of principal and  
6 interest, at the rate set forth in the Declaration of Covenants, Conditions, Restrictions, and  
7 Easements for Desert Ridge, as amended, beginning on the first Business Day of the first  
8 calendar month following the Effective Date, or as otherwise agreed by CPF and DRCA.  
9 No post-petition late fees or other penalties will be paid. The Class 3 Secured Claim is  
10 impaired, and holders shall be entitled to vote to accept or reject the Plan.

11           4.     Class 4 (Non-Insider Unsecured Claims). Class 4 consists of all Non-Insider  
12 Unsecured Claims against the Debtors existing as of the Confirmation Date in sub-Classes  
13 4.1, 4.2, 4.3, 4.4, and 4.5. Class 4.1, 4.2, 4.3, 4.4, and 4.5 Non-Insider Unsecured Claims  
14 are impaired, and holders shall be entitled to vote to accept or reject the Plan.

15           a.     Holders of Allowed Class 4.1, 4.2, 4.3, 4.4, and 4.5 Non-Insider  
16 Unsecured Claims shall receive their Pro Rata share of the Unsecured Creditor  
17 Dividend Fund (including certain post-Effective Date Avoidance Action recoveries  
18 (if any) as described in Section 8.4 below) on a *pari passu* basis with all other holders  
19 of Allowed Class 4.1, 4.2, 4.3, 4.4, and 4.5 Non-Insider Unsecured Claims. The  
20 Creditor Disbursing Agent will make an initial distribution of 50% of the Unsecured  
21 Creditor Dividend Fund to holders of Allowed Non-Insider Unsecured Claims 60  
22 days after the Effective Date, subject to the requirement of the Creditor Disbursing  
23 Agent to keep appropriate reserves from such distribution for Disputed Claims.  
24 Future distributions will be from time-to-time in the discretion of the Post-Effective  
25 Date Committee until all Allowed Non-Insider Unsecured Claims have been paid in  
26 accordance with the terms of Section 6.4.1 of the Plan.

1           b. Notwithstanding the foregoing, if the Bankruptcy Court finds and  
2 concludes at the Confirmation Hearing that the proposed treatment of Insider  
3 Unsecured Claims stated in Section 6.5.1 of the Plan unfairly discriminates against  
4 holders of Insider Unsecured Claims or otherwise renders the Plan unconfirmable,  
5 then holders of Allowed Class 4.1, 4.2, 4.3, 4.4, and 4.5 Non-Insider Unsecured  
6 Claims will receive the following treatment: Holders of Allowed Class 4.1, 4.2, 4.3,  
7 4.4, and 4.5 Non-Insider Unsecured Claims shall receive their Pro Rata share of the  
8 Unsecured Creditor Dividend Fund (including certain post-Effective Date  
9 Avoidance Action recoveries (if any) as described in Section 8.4 below) on a *pari*  
10 *passu* basis with all other holders of Allowed Class 4.1, 4.2, 4.3, 4.4, and 4.5 Non-  
11 Insider Unsecured Claims and all holders of Allowed Class 5.1, 5.2, 5.3, 5.4, and 5.5  
12 Insider Unsecured Claims. The Creditor Disbursing Agent will make an initial  
13 distribution of 50% of the Unsecured Creditor Dividend Fund to holders of Allowed  
14 Non-Insider Unsecured Claims and Allowed Insider Unsecured Claims 60 days after  
15 the Effective Date, subject to the requirement of the Creditor Disbursing Agent to  
16 keep appropriate reserves from such distribution for Disputed Claims. Future  
17 distributions will be from time-to-time in the discretion of the Post-Effective Date  
18 Committee until all Allowed Non-Insider Unsecured Claims and Allowed Insider  
19 Unsecured Claims have been paid in accordance with the terms of Section 6.4.2 of  
20 the Plan.

21           5. Class 5 (Insider Unsecured Claims). Class 5 consists of all Insider Unsecured  
22 Claims against the Debtors existing as of the Confirmation Date in sub-Classes 5.1, 5.2, 5.3,  
23 5.4 and 5.5. Holders of Class 5.1, 5.2, 5.3, 5.4 and 5.5 Insider Unsecured Claims are deemed  
24 to have rejected the Plan. No votes will be solicited from holders of Class 5.1, 5.2, 5.3, 5.4  
25 and 5.5 Insider Unsecured Claims.

26           a. Holders of Class 5.1, 5.2, 5.3, 5.4 and 5.5 Insider Unsecured Claims

1 will not receive or retain any property interests or other recovery under the Plan on  
2 account of their prepetition Claims against the Debtors.

3 b. Notwithstanding the foregoing, if the Bankruptcy Court finds and  
4 concludes at the Confirmation Hearing that the proposed treatment of Allowed  
5 Insider Unsecured Claims stated in Section 6.5.1 of the Plan unfairly discriminates  
6 or otherwise renders the Plan unconfirmable, then holders of Class 5.1, 5.2, 5.3, 5.4  
7 and 5.5 Insider Unsecured Claims will receive the following treatment: Holders of  
8 Allowed Class 5.1, 5.2, 5.3, 5.4, and 5.5 Insider Unsecured Claims shall receive their  
9 Pro Rata share of the Unsecured Creditor Dividend Fund (including certain post-  
10 Effective Date Avoidance Action recoveries (if any) as described in Section 8.4 of  
11 the Plan) on a *pari passu* basis with all other holders of Allowed Class 5.1, 5.2, 5.3,  
12 5.4, and 5.5 Insider Unsecured Claims and all holders of Allowed Class 4.1, 4.2, 4.3,  
13 4.4, and 4.5 Non-Insider Unsecured Claims. The Creditor Disbursing Agent will  
14 make an initial distribution of 50% of the Unsecured Creditor Dividend Fund to  
15 holders of Allowed Non-Insider Unsecured Claims and Allowed Insider Unsecured  
16 Claims 60 days after the Effective Date, subject to the requirement of the Creditor  
17 Disbursing Agent to keep appropriate reserves from such distribution for Disputed  
18 Claims. Future distributions will be from time-to-time in the discretion of the Post-  
19 Effective Date Committee until all Allowed Non-Insider Unsecured Claims and  
20 Allowed Insider Unsecured Claims have been paid in accordance with the terms of  
21 Section 6.5.2 of the Plan.

22 6. Statement Regarding Treatment of Insider Unsecured Claims.

23 Without in any way limiting the arguments that CPF may present in support of  
24 confirmation of the Plan, CPF contends and intends to argue, among other points, that the  
25 Bankruptcy Code does not include an absolute prohibition on discriminating between  
26 classes of unsecured Claims that might, after extended litigation, be determined to be of

1 equal priority. Rather, CPF contends that the Bankruptcy Code prohibits only  
2 discrimination against a dissenting creditor class that is “unfair.” Where, as here, the  
3 distribution to unsecured creditors under a plan will be funded, not from any estate assets,  
4 but from funds provided by an undersecured creditor, CPF submits that it is not “unfairly”  
5 discriminatory for the undersecured creditor to dedicate funds it provides to Allowed Non-  
6 Insider Unsecured Claims, particularly under the circumstances of this case.

7 To summarize, the Debtors have filed plans that, without any apparent objection  
8 from insider claim holders (i) separately classify “Related Party Unsecured Claims” and (ii)  
9 effectively subordinate them to all other non-priority unsecured claims but one. The  
10 Debtors Plans provide that, except as to “GDG Litigation Claims” (which are treated  
11 separately), “Related Party Unsecured Claims” will receive payment only after all other  
12 allowed non-priority unsecured claims are paid in full.

13 Further, although the aggregate amount of the Insider Unsecured Claims scheduled  
14 as undisputed by the Debtors (who CPF alleges are under common control with the holders  
15 of such claims) (over \$11 million) is substantially in excess of that of all filed and scheduled  
16 Non-Insider Unsecured Claims; and dwarfs that of the undisputed Non-Insider Unsecured  
17 Claims, CPF alleges that the Debtors have disclosed no information about the Insider  
18 Unsecured Claims, beyond scheduled amounts followed by the notation “Trade service” (in  
19 one case) or “Inter-company payable” (in all other cases). The holders of Insider Unsecured  
20 Claims (“Insider Claimants”) have not filed proofs of claim, and no back-up for these  
21 purported claims has been provided. CPF alleges that neither the Debtors, nor the Insider  
22 Claimants, have disclosed any of the following: (i) the written instruments or other  
23 agreements, if any, that evidence the purported debt; (ii) whether there was a fixed maturity  
24 date or schedule of payments for any of these purported debts; (iii) whether these claims  
25 bore any fixed rate of interest and required interest payments; or (iv) whether there is any  
26 evidence to substantiate these purported debts other than book entries made under the



1 direction of the individual or individuals who control both the debtors and the insider  
2 claimants. CPF intends to argue that it is not “unfairly” discriminatory for an undersecured  
3 creditor that is paying unsecured creditors from its own funds to decline to permit  
4 distributions to non-insider unsecured creditors to be tied up indefinitely while, claims of  
5 commonly-owned related parties that are not the product of non-arm’s length transactions,  
6 and that have not been the subject of any independent investigation, are litigated.

7 CPF anticipates that the Insider Claimants will object the treatment of their claims  
8 under the Plan and that the Debtors (being under common control with the Insider  
9 Claimants) will do likewise. CPF is unaware at this time of what position (if any) the  
10 Committee will take. There can be no assurance as to the outcome of this dispute or whether  
11 the Court will determine that the treatment of the class of Insider Unsecured Claims does  
12 not discriminate unfairly against that class and otherwise meets the standards for plan  
13 confirmation.

14 7. Potential Dilution of Non-Insider Unsecured Claims.

15 The charts below attempt to estimate the potential recoveries to holders of Unsecured  
16 Claims taking into account whether or not Insider Unsecured Claims share in the Unsecured  
17 Creditor Dividend Fund and also assuming: (i) that all Claims are Allowed in the greater of  
18 the scheduled amount or the alleged amount; (ii) a \$2,200,000 Unsecured Creditor Dividend  
19 Fund, and (iii) \$200,000 of fees and expenses to the Post-Effective Date Committee and  
20 Creditor Disbursing Agent. Actual recoveries may very well be higher or lower based on  
21 the actual amount of Allowed Non-Insider Unsecured Claims and Allowed Insider  
22 Unsecured Claims.<sup>9</sup> Total alleged Unsecured Claims are believed to be as follows:

KNOWN INSIDER GUC	\$11,525,025
DEBTOR/INSIDER GUC	(\$2,237,220)

23  
24  
25 <sup>9</sup> Does not include any additional funding to the Unsecured Creditor Dividend Fund  
26 as a result of Avoidance Actions pursued by the Reorganized Debtors after the Effective

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NON-DEBTOR INSIDER GUC	\$9,287,805
PRESUMED NON-INSIDER GUC	\$11,061,216
EMERALD EQUITIES	(\$400,000)
CLAIMS DISPUTED BY DEBTORS	(\$6,401,814)

Ranges of potential recoveries are estimated as follows:

Category of Claims Paid	Estimated Claims	Estimated Recovery
Non-Insider Undisputed Only	\$4,259,402	46.95%
Non-Insider Undisputed Plus Non-Debtor Insider GUC	\$13,547,207	14.76%
Non-Insider Undisputed Plus Non-Debtor Insider GUC Plus Debtor Disputed (Except Emerald Equities)	\$20,349,021	9.83%

FOR DISCUSSION PURPOSES ONLY, SUBJECT TO FRE 408 - THE PLAN PROPONENT RESERVES THE RIGHT TO OBJECT TO ALL SCHEDULED AND UNSCHEDULED CLAIMS. THE INFORMATION SUMMARIZED HEREIN IS BASED ON FILINGS BY THE DEBTORS AND THIRD PARTIES AND DOES NOT REPRESENT ANY ADMISSION BY CPF.

8. Class 6 (Equity Security Interests). Class 6 consists of the Equity Security Interests in each of the Debtors in Classes 6.1, 6.2, 6.3, 6.4, and 6.5. All prepetition Equity Security Interests in the Debtors shall be deemed cancelled on the Effective Date. Holders of Class 6.1, 6.2, 6.3, 6.4, and 6.5 Equity Security Interests will not receive or retain any property interests or other recovery under the Plan on account of their prepetition Equity Security Interests. Classes 6.1, 6.2, 6.3, 6.4, and 6.5 are deemed to have rejected the Plan. No votes will be solicited from holders of Class 6.1, 6.2, 6.3, 6.4, and 6.5 Equity Security Interests.

9. Class 7 (Emerald Equities Claim). Class 7 consists of the Claim asserted by Emerald Equities against EP and SDLI. In full and final satisfaction of the Class 7 Claim,

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1 SDLI will honor and perform all of its duties and obligations under the Emerald Equities  
2 Letter Agreement, including, but not limited to conveying the Sonoran Land Sale Parcel to  
3 Emerald Equities, in accordance with the terms of the Emerald Equities Letter Agreement,  
4 in exchange for the Price reflected in the Letter Agreement to be paid by Emerald Equities  
5 to SDLI, provided that (i) Emerald Equities honors and performs all of its duties and  
6 obligations under the Emerald Equities Letter Agreement, and (ii) the litigation styled  
7 *Emerald Equities, L.L.C. v. Sonoran Desert Land Investors, LLC, et al.*, Maricopa County  
8 Superior Court Case No. CV2015-005837 is dismissed with prejudice, each party to bear  
9 its own attorneys' fees and costs. Without limiting the foregoing, SDLI and Emerald  
10 Equities will work together in good faith to effectuate the terms and spirit of the original  
11 Emerald Equities Letter Agreement. In addition to the foregoing, SDLI will credit Emerald  
12 Equities \$25,000 at Closing toward the Price of the Sonoran Land Parcel in full satisfaction  
13 of any attorneys' fees, costs, and expenses incurred by Emerald Equities. Unless otherwise  
14 stated, capitalized terms used in Section 6.7 of the Plan shall have the meanings ascribed to  
15 such terms in the Emerald Equities Letter Agreement. The Class 7 Claim is impaired, and  
16 the holder shall be entitled to vote to accept or reject the Plan.

17 **VI.**  
18 **OVERVIEW OF ADDITIONAL PLAN PROVISIONS**

19 **A. Implementation Of The Plan.**<sup>10</sup>

20 1. In General. The Plan is to be implemented in a manner consistent with  
21 Section 1123 of the Bankruptcy Code and the Reorganized Debtors, as applicable, are  
22 authorized to take any and all actions that may be necessary or appropriate to implement  
23 the terms of the Plan.

24 2. Issuance of Equity Interests in Reorganized Debtors. On the Effective Date,  
25 all existing Equity Security Interests in each of the Debtors shall be deemed cancelled. In  
26

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<sup>10</sup> See Plan at Article 8.  
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1 exchange for the CPF Plan Contribution and the other benefits provided under the Plan by  
2 CPF, CPF shall receive 100% of the new Equity Security Interests in each of the  
3 Reorganized Debtors.

4 3. Post-Effective Date Committee. The Post-Effective Date Committee and  
5 Creditor Disbursing Agent shall be deemed appointed on the Effective Date in accordance  
6 and subject to Sections 1.39 and 1.84 of the Plan.

7 a. Section 1.39 of the Plan defines “Creditor Disbursing Agent” as “the  
8 Person identified by the Committee in the Confirmation Order to serve as the agent  
9 of the Post-Effective Date Committee for the purposes of holding and disbursing the  
10 Unsecured Creditor Dividend Fund and performing such other duties as may be  
11 delegated to such Person by the Post-Effective Date Committee.”

12 b. Section 1.84 of the Plan defines “Post-Effective Date Committee” as  
13 “a committee of not less than 3 different holders of Non-Insider Unsecured Claims  
14 against one or more of the Debtors in the Cases, to be identified by the Committee  
15 in the Confirmation Order. The Post-Effective Date Committee will be vested solely  
16 with the exclusive rights and standing to object to and administer Unsecured Claims  
17 (with the exception of the Class 7 Emerald Equities Claim, which shall be  
18 administered and paid by the Reorganized Debtors from a source other than the  
19 Unsecured Creditor Dividend Fund), including the right to object to the allowance  
20 of Unsecured Claims, settle Disputed Claims, hold and administer the Unsecured  
21 Creditor Dividend Fund, and approve interim and final distributions from the  
22 Unsecured Creditor Dividend Fund. The Post-Effective Date Committee will not be  
23 vested with any avoidance powers or other powers under Section 544 – 551 of the  
24 Bankruptcy Code or the rights or standing to commence any actions or proceedings  
25 not directly related to the administration of and distributions on Unsecured Claims.

26 To the extent that any Debtor has an affirmative Claim or counter-Claim against any

1 Unsecured Creditor that procedurally must be raised in conjunction with (and in the  
2 same proceeding as) a Claim objection filed with respect to any Unsecured Claim,  
3 the Post-Effective Date Committee will be deemed to have consented to the  
4 intervention of or joinder of the applicable Reorganized Debtor for the purpose of  
5 pursuing any such affirmative Claim or counter-Claim. The Post-Effective Date  
6 Committee shall be authorized to delegate some or all of its duties under the Plan to  
7 the Creditor Disbursing Agent. The Creditor Disbursing Agent, and the terms of its  
8 retention, shall be disclosed by the Committee in the Confirmation Order. All fees  
9 and expenses of the Post-Effective Date Committee and the Creditor Disbursing  
10 Agent shall be paid from the Unsecured Creditor Dividend Fund (including all  
11 professional fees and expenses incurred after the Effective Date). Any dispute  
12 regarding the limited rights, powers, or duties of the Post-Effective Date Committee  
13 shall be resolved by the Bankruptcy Court.”

14 4. Avoidance Action Recoveries. In addition to the \$2,200,000 to be funded by  
15 CPF to the Unsecured Creditor Dividend Fund on the Effective Date, the Reorganized  
16 Debtors will contribute the following additional amounts to the Unsecured Creditor  
17 Dividend Fund, as, when, and if available to be used to make distributions to the holders of  
18 Allowed Unsecured Claims that are entitled to share in distributions from the Unsecured  
19 Creditor Dividend Fund on a Pro Rata basis:

20 a. Avoidance Actions. If the Reorganized Debtors successfully pursue  
21 one or more Avoidance Actions that result in net recoveries to the Reorganized  
22 Debtors, the Reorganized Debtors will fund the following additional amounts to the  
23 Unsecured Creditor Dividend Fund within 30 days following the Reorganized  
24 Debtors’ actual receipt of cash either through a settlement or collection of a  
25 judgment: 50% of the net Avoidance Action recoveries, after (i) the payment of all  
26 attorneys’ fees, costs and expenses (including an costs of settlement), incurred by

1 the Reorganized Debtors and CPF in the prosecution, settlement, and collection of  
2 the Avoidance Actions, and (ii) the payment of 10% simple interest on all fees, costs,  
3 and expenses advanced by the Reorganized Debtors or CPF, provided that the  
4 Reorganized Debtors' total additional contributions to the Unsecured Creditor  
5 Dividend Fund under Section 8.4.1 of the Plan shall not exceed \$1,100,000. For the  
6 purposes of calculating net recoveries from Avoidance Actions, all fees, costs and  
7 expenses paid to satisfy and extinguish liens, claims, interests, and encumbrances of  
8 good faith transferees and other liens, claims, interests, and encumbrances that  
9 remain on the property following recovery by the Reorganized Debtors shall be  
10 deducted.

11 b. LKY Parcels. If an Avoidance Action by the Reorganized Debtors  
12 results in the recovery of the LKY Parcels by the Reorganized Debtors, the LKY  
13 Parcels will be marketed and sold by the Reorganized Debtors on an "as is" "where  
14 is" basis, in the condition received, provided that CPF shall have a right of first  
15 refusal to purchase the LKY Parcels for an amount equal to the highest bid received  
16 by the Reorganized Debtors for the LKY Parcels. The purchase price obtained by  
17 the Reorganized Debtors for the LKY Parcels, less the amount of all liens, claims,  
18 interests, and encumbrances that remain on the property following recovery by the  
19 Reorganized Debtors, shall be the starting point for calculating the net recovery in  
20 accordance with Section 8.4.1 of the Plan. Any recovery on Avoidance Actions  
21 related to the LKY Parcels to Unsecured Claims will be subject to the cap described  
22 in Section 8.4.1 of the Plan.

23 c. Timing. The funding of the additional amounts (if any) by the  
24 Reorganized Debtors to the Unsecured Creditor Dividend Fund under Section 8.4 of  
25 the Plan shall occur as follows:

26 (1) With respect to net recoveries received by a Reorganized

1 Debtor as a result of a settlement of an Avoidance Action, the amounts required to  
2 be funded under Section 8.4.1 of the Plan, shall be funded only after the entry of a  
3 Final Order approving the settlement and the expiration of 90 days after the  
4 applicable Reorganized Debtor's receipt of the settlement proceeds without a case  
5 under the Bankruptcy Code having been filed by or against the Entity from which  
6 the recovery was obtained or, if such a case has been filed, the Reorganized Debtors  
7 having reasonably determined in their good faith judgment that an order or judgment  
8 adjudging any Reorganized Debtor liable to the estate of such Entity for all or any  
9 portion of such recovery is not possible.

10 (2) With respect to net recoveries received by a Reorganized  
11 Debtor as a result of collections from a Final Order resolving an Avoidance Action  
12 in favor of a Reorganized Debtor, the amounts required to be funded under Section  
13 8.4.1 of the Plan, shall be funded only after the entry of a Final Order in favor of the  
14 applicable Reorganized Debtor and the expiration of 90 days after the Reorganized  
15 Debtor's collection of the proceeds of the Final Order without a case under the  
16 Bankruptcy Code having been filed by or against the Entity from which the recovery  
17 was obtained or, if such a case has been filed, the Reorganized Debtors having  
18 reasonably determined in their good faith judgment that an order or judgment  
19 adjudging any Reorganized Debtor liable to the estate of such Entity for all or any  
20 portion of such recovery is not possible.

21 5. Revesting of Assets in Reorganized Debtors. Except as otherwise expressly  
22 provided in this Plan, pursuant to Sections 1123(a)(5), 1123(b)(3) and 1141(b) of the  
23 Bankruptcy Code, all of the Debtors' assets and those of their Estates (including, without  
24 limitation, all Estate Claims and Avoidance Actions and the right to bring all Estate Claims  
25 and Avoidance Actions) shall automatically be retained and revested in the relevant  
26 Reorganized Debtor, free and clear of all Claims, liens, contractually-imposed restrictions,

1 charges, encumbrances and interests of creditors and Equity Security Holders on the  
2 Effective Date, with all such Claims, liens, contractually-imposed restrictions, charges,  
3 encumbrances and interests being extinguished except as otherwise provided in this Plan.  
4 As of the Effective Date, each Reorganized Debtor may acquire and dispose of property  
5 and settle and compromise Claims without supervision of the Bankruptcy Court and free of  
6 any restrictions of the Bankruptcy Code or the Bankruptcy Rules, other than those  
7 restrictions expressly imposed by this Plan and the Confirmation Order. Without limiting  
8 the foregoing, each Reorganized Debtor may pay the charges it incurs for professional fees,  
9 disbursements, expenses or related support services after the Effective Date without any  
10 application to the Bankruptcy Court.

11         6.     Corporate Action. Pursuant to section 1142 of the Bankruptcy Code and any  
12 applicable provisions of the business corporation law of any applicable state, the entry of  
13 the Confirmation Order shall constitute authorization for the Reorganized Debtors to take  
14 or cause to be taken all corporate and limited liability company actions necessary or  
15 appropriate to consummate and implement the provisions of this Plan on and after the  
16 Effective Date, and all such actions taken or caused to be taken shall be deemed to have  
17 been authorized and approved by the Bankruptcy Court, including without limitation: (a)  
18 the cancellation of all of the issued and outstanding Equity Security Interests in the Debtors;  
19 (b) the issuance of the new Equity Security Interests in the Debtors to CPF; (c) the election  
20 of directors, managers and officers in accordance with this Plan; (d) the adoption of the  
21 Reorganized Debtors' organizational documents, which shall supersede the prior  
22 certificates of incorporation, articles of organization, limited liability company agreements,  
23 operating agreements, by-laws or other organizational documents, as appropriate, of each  
24 of the Reorganized Debtors; and (e) all actions as are necessary or appropriate to close or  
25 dismiss the Case. All such actions shall be deemed to have occurred and shall be in effect  
26 pursuant to applicable non-bankruptcy law and the Bankruptcy Code, without any

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1 requirement of further action by the members, stockholders, directors or managers of the  
2 Debtors, the Reorganized Debtors or any of their affiliates. On the Effective Date, the  
3 appropriate officers, directors, members and managers of the Reorganized Debtors are  
4 authorized and directed to execute and deliver the agreements, documents and instruments  
5 contemplated by this Plan in the name of and on behalf of the Debtors and/or the  
6 Reorganized Debtors, as applicable.

7       7.     Organizational Documents. Any prepetition written or oral operating  
8 agreement applicable to any of Debtors shall be deemed terminated and of no further force  
9 or effect as of the Effective Date, and, CPF shall be entitled to file amended articles of  
10 organization for each of the Reorganized Debtors reflecting CPF's 100% member interest  
11 in each of the Reorganized Debtors. CPF, or an individual designated by CPF, will have  
12 the power to execute any new operating agreements and other organizational documents on  
13 behalf of each of the Reorganized Debtors.

14       8.     Post Effective Date Management of the Reorganized Debtors. On the  
15 Effective Date, the existing managers of the Debtors shall be deemed terminated and shall  
16 have no further authority or control of the Reorganized Debtors and operation of each  
17 Reorganized Debtor shall become the general responsibility of the respective members,  
18 managers, board members and/or officers elected or appointed in accordance with  
19 applicable non-bankruptcy law. Subject to any requirement of Bankruptcy Court approval  
20 pursuant to section 1129(a)(5) of the Bankruptcy Code, the initial members and managers  
21 of each Reorganized Debtor shall be comprised of the individuals set forth on Schedule 8.5  
22 to the Plan. Each such member and manager will serve from the Effective Date until his or  
23 her successor is duly elected or appointed and qualified or until his or her earlier death,  
24 resignation or removal in accordance with the terms of the certificate of incorporation and  
25 bylaws (or comparable constituent documents) of the respective Reorganized Debtor and  
26 state law.

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1           9.     Release of Liens. Except as otherwise provided in the Plan or in any contract,  
2 instrument, release or other agreement or document to be assumed, entered into or delivered  
3 in connection with the Plan, on the Effective Date and consistent with the treatment  
4 provided for Claims and Interests in Article 5 and 6, all liens on, in or against the  
5 Reorganized Debtors' Assets shall be fully released and discharged, and all of the right, title  
6 and interest of any holder of Liens, including any rights to any Collateral thereunder, shall  
7 revert to the Reorganized Debtors and their successors and assigns, as applicable. As of the  
8 Effective Date, the Reorganized Debtors shall be authorized but not required to execute and  
9 file or record releases or Form UCC-3 Termination Statements or such other forms as may  
10 be necessary or appropriate to implement the provisions of this Section 8.6.

11           10.    Turnover of Assets. Bruce Gray, Gray Western Development Company, and  
12 all affiliates, insiders, and Representatives of Bruce Gray and Gray Western Development  
13 Company shall promptly turnover all Assets, including all Documents, contracts, and  
14 business records of the Debtors and Reorganized Debtors to CPF on the Effective Date.

15           11.    Pending CPF Litigation. Notwithstanding any other term or provision of the  
16 Plan to the contrary, in consideration to the benefits provided and to be provided under the  
17 Plan by CPF, on the Effective Date, the Ganymede Adversary, the Ganymede Claims, the  
18 Lien Avoidance Adversary, and the Lien Avoidance Claims shall be deemed settled and  
19 dismissed with prejudice, and all Claims asserted or that could have been asserted in the  
20 foregoing actions shall be deemed released.

21           12.    Transfer of GBSRP I Property. On the Effective Date or as soon thereafter  
22 as practicable, SDLI will cause GBSRP I to convey the GBSRP I Property from GBSRP I  
23 back to SDLI by special warranty deed, subject to any existing encumbrances, including the  
24 *lis pendens* associated with Proof of Claim 4-1 filed by Emerald Equities, LLC against  
25 SDLI.

26           13.    No Successor Liability. The Reorganized Debtors and CPF are not, and shall

1 not be, successors to the Debtors by reason of any theory of law or equity, and none shall  
2 have any successor or transferee liability of any kind or character, except that the  
3 Reorganized Debtors shall assume the obligations specified in the Plan and the  
4 Confirmation Order.

5 14. Effectuating Documents; Further Transactions. The Reorganized Debtors or  
6 their designees, as applicable, shall be authorized to (a) execute, deliver, file or record such  
7 contracts, instruments, releases and other agreements or documents and take such actions  
8 as may be necessary or appropriate to effectuate and implement the provisions of the Plan  
9 and (b) certify or attest to any of the foregoing actions.

10 **B. Executory Contracts And Unexpired Leases.<sup>11</sup>**

11 1. The 20 Acre Lease and the 96.5 Acre Lease shall be deemed assumed on the  
12 Effective Date. All deferred lease payments shall be paid timely and in full by EP, GMF,  
13 and GPDR II in the amounts and at the times set forth in the 20 Acre Rent Extension Letter  
14 and the 96.5 Acre Rent Extension Letter.

15 2. Except as stated in Section 9.1 of the Plan, the Plan contemplates and provides  
16 for the rejection, pursuant to Section 365 of the Bankruptcy Code, of any and all other  
17 Executory Contracts and Unexpired Leases of the Debtors which are in force on the  
18 Effective Date, except (i) those Executory Contracts and Unexpired Leases which were  
19 specifically assumed pursuant to an order of the Bankruptcy Court, and (ii) those Executory  
20 Contracts and Unexpired Leases listed on Schedule 9.2 to the Plan, which Executory  
21 Contracts and Unexpired Leases shall be deemed assumed on the Effective Date. Without  
22 limiting the foregoing, the EoE Certificate of Purchase shall be deemed rejected on the  
23 Effective Date.

24 3. The Confirmation Order (except as otherwise provided therein) shall  
25 constitute an order of the Bankruptcy Court pursuant to Section 365 of the Bankruptcy  
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<sup>11</sup> See Plan at Article 9.  
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1 Code, effective as of the Effective Date, approving the assumptions and rejections  
2 hereunder. Each contract and lease assumed pursuant to Section 9.1 or 9.2 of the Plan shall  
3 be assumed only to the extent that any such contract or lease constitutes an Executory  
4 Contract or Unexpired Lease. Assumption of a contract or lease pursuant to Section 9.1 or  
5 9.2 of the Plan shall not constitute an admission by the Reorganized Debtors that such  
6 contract or lease is an Executory Contract or Unexpired Lease or that the Debtors or the  
7 Reorganized Debtors, as applicable, have any liability thereunder. All Executory Contracts  
8 and Unexpired Leases that are assumed will be assumed under their present terms or upon  
9 such terms as are agreed to in writing between the Reorganized Debtors and the  
10 counterparty to such contract or lease.

11 4. CPF asserts that no cure amounts are due from the Debtors to any  
12 counterparty to an Executory Contract or Unexpired Lease assumed hereunder. CPF will  
13 serve the Plan on the non-Debtor counterparties to each such Executory Contract or  
14 Unexpired Lease prior to the Confirmation Hearing. Each such counterparty shall have  
15 until the date that is five (5) Business Days prior to the Confirmation Hearing to file an  
16 objection to the assumption of its Executory Contract or Unexpired Lease (whether the  
17 objection relates to the cure amount or otherwise). If any objections are filed and cannot be  
18 resolved by agreement, the Bankruptcy Court shall hold a hearing to determine the cure  
19 amount with respect to such Executory Contract or Unexpired Lease or to otherwise resolve  
20 the objection, which hearing may be the Confirmation Hearing. Any party failing to object  
21 to the assumption of their Executory Contract or Unexpired Lease as set forth above shall  
22 be forever barred from asserting, collecting or seeking to collect any cure amount or from  
23 otherwise objecting to the assumption and assignment of such Executory Contract or  
24 Unexpired Lease. Notwithstanding the foregoing, or anything else in Article 9 of the Plan,  
25 with respect to any Executory Contract or Unexpired Lease which is the subject of an  
26 objection, the Reorganized Debtors shall retain the right, until five (5) Business Days

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1 following any order resolving such objection having become a Final Order, to reject such  
2 Executory Contract or Unexpired Lease by amending Schedule 9.2 of the Plan. Within ten  
3 (10) days of the later of the Effective Date or the date that an order of the Bankruptcy Court  
4 establishing the cure amount of such Executory Contract or Unexpired Lease becomes a  
5 Final Order, or as otherwise agreed with the counterparty to each Executory Contract or  
6 Unexpired Lease, the Reorganized Debtors shall pay the cure amounts to the non-Debtor  
7 parties to such Executory Contracts and Unexpired Leases being assumed and/or assigned.

8           5. Notwithstanding any other provision in this Plan or prior notice of any kind  
9 from the clerk of the Bankruptcy Court, any and all Creditors or persons with Claims against  
10 a Debtor's Estate arising out of or in connection with or due to the rejection of an Executory  
11 Contract or Unexpired Lease pursuant to the Plan shall have thirty (30) days from the  
12 Effective Date within which to file a proof of claim in the true amount of such Claims. If  
13 any such Creditors fail to file such proofs of claim within said thirty (30) day period, then  
14 such Creditors shall have no Claims as against the Debtors, their Estates, the Reorganized  
15 Debtors or their respective Representatives, which Claims arising out of or in connection  
16 with or due to such rejection of such Executory Contract or Unexpired Lease, shall be  
17 dismissed, released and null and void.

18           6. Any Claim that arises from the rejection of an Executory Contract or  
19 Unexpired Lease shall, to the extent such Claim becomes an Allowed Claim, be treated as  
20 a Non-Insider Unsecured Claim or an Insider Unsecured Claim, as applicable based on the  
21 definition of such terms in the Plan.

22           7. Any claim filed in accordance with the provisions of Section 9.5 of the Plan  
23 shall be treated as a Disputed Claim until the period of time has elapsed within which the  
24 Reorganized Debtors may file an objection to such Claim.

1 **C. Retention of Jurisdiction.**<sup>12</sup>

2 1. Notwithstanding the entry of the Confirmation Order or the occurrence of  
3 Effective Date, the Bankruptcy Court shall retain jurisdiction over these Cases and any  
4 proceedings related thereto to the fullest extent permitted by the Bankruptcy Code or  
5 applicable law, and to make such orders as are necessary or appropriate to carry out the  
6 provisions of this Plan.

7 2. In addition, the Bankruptcy Court shall retain jurisdiction to implement the  
8 provisions of the Plan in the manner as provided under Section 1142 of the Bankruptcy  
9 Code. If the Bankruptcy Court abstains from exercising, or declines to exercise jurisdiction,  
10 or is otherwise without jurisdiction over any matter set forth in this Section, or if the  
11 Reorganized Debtors elect to bring an action or proceeding in any other forum, then this  
12 Section shall have no effect upon and shall not control, prohibit or limit the exercise of  
13 jurisdiction by any other court, public authority, or commission having competent  
14 jurisdiction over such matters.

15 3. Without limiting the foregoing, the Bankruptcy Court shall retain jurisdiction  
16 of the Cases for the following matters:

17 a. To enable the Reorganized Debtors to consummate any and all  
18 proceedings which may have been brought before or after the entry of the  
19 Confirmation Order, to challenge or object to the allowance of Claims and to recover  
20 any preferences, transfers, assets or damages to which the Reorganized Debtors may  
21 be entitled under the applicable provisions of the Code or other federal, state or local  
22 law;

23 b. To adjudicate all controversies concerning the classification or  
24 allowance of a Claim or Equity Security Interest;

25 c. To adjudicate all disputes regarding or relating in any way to Claims,  
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<sup>12</sup> See Plan at Article 10.  
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1 Equity Security Interests, and the Plan;

2 d. To hear and determine all claims or motions arising from or seeking  
3 the assumption and/or assignment or rejection of any Executory Contracts or  
4 Unexpired Leases, and to consummate the rejection and termination thereof or with  
5 respect to any Executory Contracts or Unexpired Leases to which an application or  
6 motion for rejection or termination is filed before entry of the Confirmation Order;

7 e. To liquidate the amount of any Disputed, contingent or unliquidated  
8 Claims;

9 f. To adjudicate all claims to a security or ownership interest in any  
10 property of the Debtors or in any proceeds thereof, including the adjudication of all  
11 claims asserted by Creditors and Holders of Equity Security Interests;

12 g. To adjudicate all claims or controversies arising out of any purchases,  
13 sales, or contracts made or undertaken by the Debtors during the pendency of the  
14 Cases;

15 h. To adjudicate, determine and resolve any and all adversary  
16 proceedings, applications, motions, and contested or litigated matters, instituted  
17 before the closing of the Case;

18 i. To recover all Assets and properties of the Debtors, wherever located;

19 j. To adjudicate and determine any cause of action retained by the  
20 Debtors or otherwise provided for under the Plan or pursuant to the Confirmation  
21 Order;

22 k. To make orders as are necessary or appropriate to carry out the  
23 provisions of the Plan, or in aid of confirmation and consummation of the Plan;

24 l. To hear and determine any application to modify the Plan in  
25 accordance with Section 1127 of the Bankruptcy Code, to remedy any defect or  
26 omission, or reconcile any inconsistency in the Plan, the Disclosure Statement or any

1 Order of the Bankruptcy Court, including the Confirmation Order, in such a manner  
2 as may be necessary to carry out the purposes and effects hereof;

3 m. To hear and determine all matters concerning state, local and federal  
4 taxes in accordance with Sections 346, 505 and 1146 of the Bankruptcy Code;

5 n. To determine any and all applications, adversary proceedings, and  
6 contested or litigated matters properly before the Bankruptcy Court before or after  
7 the Confirmation Date;

8 o. To hear and determine all controversies, suits and disputes, if any, as  
9 may arise with regard to orders of the Bankruptcy Court in the Cases entered on or  
10 before the Effective Date; and

11 p. To enter an Order closing the Case.

12 **D. Procedures For Resolving Disputed Claims.<sup>13</sup>**

13 1. Objections to Claims. The Reorganized Debtors shall be entitled to object to  
14 any Claims, with the exception of all Unsecured Claims (except the Class 7 Emerald  
15 Equities Claim), which Unsecured Claims shall be administered by the Post-Effective Date  
16 Committee and paid from the Unsecured Creditor Dividend Fund in accordance with and  
17 subject to Sections 1.39 and 1.84 of the Plan. Any objections to Claims shall be served and  
18 filed on or before the later of: (i) sixty (60) days after the Effective Date; (ii) thirty (30) days  
19 after a request for payment or proof of Claim is timely filed and properly served; or (iii)  
20 such other date as may be fixed by the Bankruptcy Court, whether before or after the dates  
21 specified in subsections (i) and (ii) herein. Notwithstanding any authority to the contrary,  
22 an objection to a Claim shall be deemed properly served on the Creditor if service is effected  
23 in any of the following manners: (a) in accordance with Federal Rule of Civil Procedure 4,  
24 as modified and made applicable by Bankruptcy Rule 7004; (b) by first class mail, postage  
25 prepaid, on any counsel that has appeared on the Creditor's behalf in the Cases; or (c) by

26 \_\_\_\_\_  
<sup>13</sup> See Plan at Article 10.  
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1 first class mail, postage prepaid, on the signatory on the proof of Claim or other  
2 representative identified in the proof of Claim or any attachment thereto.

3 2. Payments and Distributions with Respect to Disputed Claims.

4 Notwithstanding any other provision hereof, if any portion of a Claim is a Disputed Claim,  
5 no payment or distribution provided hereunder shall be made on account of such Claim  
6 unless and until the amount of such Disputed Claim which constitutes an Allowed Claim is  
7 determined, and the balance (if any) becomes a Disallowed Claim.

8 3. Distributions after Allowance. After such time as a Disputed Claim becomes

9 an Allowed Claim, the Debtors or Creditor Disbursing Agent, as applicable, shall distribute  
10 to the holder thereof the distributions, if any, to which such holder is then entitled under the  
11 Plan in accordance with the provisions hereof. Distributions in respect of Disputed Claims  
12 that become Allowed Claims shall be made within fifteen (15) days after such Disputed  
13 Claims become Allowed Claims by Final Order of the Bankruptcy Court or as soon  
14 thereafter as practicable.

15 **E. Provisions Concerning Distributions.**<sup>14</sup>

16 1. Time of Distributions under the Plan. Payments and distributions to be made

17 on or after the Effective Date pursuant to the Plan shall be made on such date, or as soon as  
18 practicable thereafter, except as otherwise provided for in the Plan, or as may be ordered by  
19 the Bankruptcy Court, or as may be agreed to by the Reorganized Debtors and the holder  
20 of the Allowed Claim.

21 2. Payment Dates. Whenever any payment or distribution to be made under the

22 Plan shall be due on a day other than a Business Day, such payment or distribution shall  
23 instead be made, without interest, on the next Business Day, or as soon as practicable  
24 thereafter, or as may be agreed to by the Reorganized Debtors and the holder of the Allowed  
25 Claim.

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<sup>14</sup> See Plan at Article 12.  
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1           3.     Manner of Payments under the Plan. Cash payments made pursuant to the  
2 Plan shall be made in the currency of the United States, by check drawn on a domestic bank  
3 or by wire transfer from a domestic bank. Distributions to all holders of Allowed Claims  
4 shall be made (a) at the addresses set forth in the proof of claim filed by such holders (or at  
5 last known addresses of such holders if no proofs of claims were filed or the Debtors were  
6 notified of a change of address); or (b) at the addresses set forth in any written notices of  
7 address change delivered to the Reorganized Debtors or the Bankruptcy Court; or (c) at the  
8 addresses reflected in the Debtors' schedules if no claim shall have been filed and no written  
9 notice of an address change has been received by the Reorganized Debtors. No payments  
10 shall be made to a holder of a Disputed Claim unless and until such Claim becomes an  
11 Allowed Claim by a Final Order.

12           4.     Fractional Cents. Any other provision of the Plan to the contrary  
13 notwithstanding, no payments of fractions of cents will be made. Whenever any payment  
14 of a fraction of a cent would otherwise be called for, the actual payment shall reflect a  
15 rounding of such fraction to the nearest whole cent (rounding down in the case of .5).

16           5.     Non-Negotiated Checks. If a Holder of an Allowed Claim, or any other claim  
17 or interest fails to negotiate a check issued to such holder under the Plan within sixty (60)  
18 days of the date such check was issued by the Reorganized Debtors, then the amount of  
19 Cash or other property attributable to such check shall be deemed to be "Unclaimed  
20 Distributions," and the payee of such check shall be deemed to have no further Claim or  
21 future Claim against the Reorganized Debtors.

22           6.     Unclaimed Distributions. In the event any payment to a holder of a Claim  
23 under the Plan remains unclaimed for a period of sixty (60) days after such distribution has  
24 been made (or after such delivery has been attempted), such Unclaimed Distribution and all  
25 future distributions to be made to such holders shall be deemed forfeited by such holder.  
26 Unclaimed Distributions with respect to Allowed Non-Insider Unsecured Claims or

1 Allowed Non-Insider Unsecured Claims shall be returned to the Unsecured Creditor  
2 Dividend Fund.

3 7. Disputed Payments or Distributions. In the event of any dispute between and  
4 among Claimants (including the Entity or Entities asserting the right to receive the disputed  
5 payment or distribution) as to the right of any Entity to receive or retain any payment or  
6 distribution to be made to such Entity under the Plan, the Reorganized Debtors may, in lieu  
7 of making such payment or distribution to such Entity, make it instead into an escrow  
8 account or to a disbursing agent, for payment or distribution as ordered by the Bankruptcy  
9 Court or as the interested parties to such dispute may otherwise agree among themselves,  
10 and the payment or distribution shall be deemed to have been made to and received by the  
11 Entity determined to be entitled to such payment or distribution as of the date that the  
12 Reorganized Debtors delivers such payment or distribution to a disbursing agent or escrow  
13 account.

14 **F. Effect Of Confirmation Of Plan.<sup>15</sup>**

15 1. Binding Effect. On and after the Confirmation Date, the provisions of the  
16 Plan shall bind the Debtors and any holder of a Claim against, or Equity Security Interest  
17 in, the Debtors and their respective successors and assigns, whether or not the Claim or  
18 Equity Interest of such holder is impaired under the Plan and whether or not such holder  
19 has voted on or accepted the Plan.

20 2. Discharge. Except for any liability imposed by the Plan or as expressly  
21 provided in the Plan, (a) each holder of a Claim against or Equity Security Interest in a  
22 Debtor shall be deemed to have forever waived, released and discharged the Debtors, to the  
23 fullest extent permitted by section 1141 of the Bankruptcy Code, of and from any and all  
24 Claims, Equity Security Interests, rights and liabilities that arose prior to the Effective Date  
25 and (b) all such holders shall be forever precluded and enjoined, pursuant to section 524 of  
26

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<sup>15</sup> See Plan at Article 13.  
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1 the Bankruptcy Code, from prosecuting or asserting any discharged Claim against or  
2 terminated Equity Security Interest in the Debtors; provided however that if Confirmation  
3 of this Plan does not occur and/or the conditions precedent to the Effective Date of the Plan  
4 are not satisfied, the Plan shall be deemed null and void. In such event, nothing contained  
5 in this Plan shall be deemed to constitute a waiver or release of any claims against the  
6 Debtors or their Estates or any other Persons, or to prejudice in any manner the rights of  
7 CPF and/or any other Person in any further proceeding involving the Debtors, their Estates  
8 and/or any Person.

9 3. Post-Confirmation Quarterly Fees. Quarterly fees pursuant to 28 U.S.C.  
10 Section 1930(a)(6) continue to be payable to the Office of the United States Trustee by the  
11 Reorganized Debtors until such time as the Case is converted, dismissed, or closed pursuant  
12 to a final decree.

13 4. RETENTION OF CLAIMS AND CAUSES OF ACTION. EXCEPT TO  
14 THE EXTENT ANY RIGHTS, CLAIMS, CAUSES OF ACTION, DEFENSES, AND  
15 COUNTERCLAIMS ARE EXPRESSLY AND SPECIFICALLY RELEASED OR  
16 ASSIGNED IN CONNECTION WITH THIS PLAN OR IN ANY SETTLEMENT  
17 AGREEMENT APPROVED DURING THE CASES: (I) ANY AND ALL CLAIMS  
18 ACCRUING TO THE DEBTORS OR THE ESTATES SHALL REMAIN ASSETS OF  
19 AND VEST IN THE REORGANIZED DEBTORS WHETHER OR NOT LITIGATION  
20 RELATING THERETO IS PENDING ON THE EFFECTIVE DATE, AND WHETHER  
21 OR NOT ANY SUCH CLAIMS HAVE BEEN LISTED OR REFERRED TO IN THE  
22 PLAN, THE DISCLOSURE STATEMENT, OR ANY OTHER DOCUMENT FILED  
23 WITH THE BANKRUPTCY COURT, AND (II) NEITHER THE REORGANIZED  
24 DEBTORS NOR THE ESTATES WAIVE, RELEASE, RELINQUISH, FORFEIT, OR  
25 ABANDON (NOR SHALL THEY BE ESTOPPED OR OTHERWISE PRECLUDED OR  
26 IMPAIRED FROM ASSERTING) ANY CLAIMS OR DEFENSES THAT CONSTITUTE

1 PROPERTY OF THE DEBTORS OR THE ESTATES: (A) WHETHER OR NOT SUCH  
2 CLAIMS OR DEFENSES HAVE BEEN LISTED OR REFERRED TO IN THIS PLAN,  
3 THE DISCLOSURE STATEMENT, OR ANY OTHER DOCUMENT FILED WITH THE  
4 BANKRUPTCY COURT, (B) WHETHER OR NOT SUCH CLAIMS ARE CURRENTLY  
5 KNOWN TO THE DEBTORS OR CPF, AND (C) WHETHER OR NOT A DEFENDANT  
6 IN ANY LITIGATION RELATING TO SUCH CLAIMS FILED A PROOF OF CLAIM  
7 IN THE CASE, FILED A NOTICE OF APPEARANCE OR ANY OTHER PLEADING  
8 OR NOTICE IN THE CASE, VOTED FOR OR AGAINST THIS PLAN, OR RECEIVED  
9 OR RETAINED ANY CONSIDERATION UNDER THIS PLAN. WITHOUT IN ANY  
10 MANNER LIMITING THE SCOPE OF THE FOREGOING, NOTWITHSTANDING  
11 ANY OTHERWISE APPLICABLE PRINCIPLE OF LAW OR EQUITY, INCLUDING,  
12 WITHOUT LIMITATION, ANY PRINCIPLES OF JUDICIAL ESTOPPEL, RES  
13 JUDICATA, COLLATERAL ESTOPPEL, ISSUE PRECLUSION, OR ANY SIMILAR  
14 DOCTRINE, THE FAILURE TO LIST, DISCLOSE, DESCRIBE, IDENTIFY,  
15 ANALYZE OR REFER TO ANY CLAIM OR CAUSE OF ACTION, IN THE PLAN, THE  
16 DISCLOSURE STATEMENT, OR ANY OTHER DOCUMENT FILED WITH THE  
17 BANKRUPTCY COURT SHALL IN NO MANNER WAIVE, ELIMINATE, MODIFY,  
18 RELEASE, OR ALTER THE REORGANIZED DEBTORS' RIGHT TO COMMENCE,  
19 PROSECUTE, DEFEND AGAINST, SETTLE, RECOVER ON ACCOUNT OF, AND  
20 REALIZE UPON ANY CLAIM THAT THE DEBTORS OR THEIR ESTATES HAVE  
21 OR MAY HAVE AS OF THE EFFECTIVE DATE.

22 EXCEPT TO THE EXTENT ANY RIGHTS, CLAIMS, CAUSES OF ACTION,  
23 DEFENSES, AND COUNTERCLAIMS ARE EXPRESSLY AND SPECIFICALLY  
24 RELEASED OR ASSIGNED IN CONNECTION WITH THIS PLAN OR IN ANY  
25 SETTLEMENT AGREEMENT APPROVED DURING THE CASE, THE  
26 REORGANIZED DEBTORS EXPRESSLY RESERVES ALL CLAIMS AND

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1 DEFENSES FOR LATER ADJUDICATION BY THE REORGANIZED DEBTORS AND  
2 THEREFORE, NO PRECLUSION DOCTRINE, INCLUDING THE DOCTRINES OF  
3 RES JUDICATA, COLLATERAL ESTOPPEL, ISSUE PRECLUSION, CLAIM  
4 PRECLUSION, WAIVER, ESTOPPEL (JUDICIAL, EQUITABLE OR OTHERWISE)  
5 OR LACHES WILL APPLY TO SUCH CLAIMS AND DEFENSES UPON OR AFTER  
6 THE CONFIRMATION OR CONSUMMATION OF THE PLAN BASED ON THE  
7 DISCLOSURE STATEMENT, THE PLAN, AND/OR THE CONFIRMATION ORDER.  
8 IN ADDITION, THE REORGANIZED DEBTORS EXPRESSLY RESERVE THE  
9 RIGHT TO PURSUE OR ADOPT CLAIMS THAT ARE ALLEGED IN ANY  
10 LAWSUITS IN WHICH THE DEBTORS ARE A DEFENDANT OR AN INTERESTED  
11 PARTY, AGAINST ANY PERSON OR GOVERNMENTAL ENTITY, INCLUDING  
12 THE PLAINTIFFS OR CO-DEFENDANTS IN SUCH LAWSUITS. ANY PERSON OR  
13 GOVERNMENTAL ENTITY TO WHOM THE DEBTORS HAVE INCURRED AN  
14 OBLIGATION (WHETHER ON ACCOUNT OF SERVICES, PURCHASE, SALE OF  
15 GOODS OR OTHERWISE), OR WHO HAS RECEIVED SERVICES FROM THE  
16 DEBTORS, OR WHO HAS RECEIVED MONEY OR PROPERTY FROM THE  
17 DEBTORS, OR WHO HAS TRANSACTED BUSINESS WITH THE DEBTORS, OR  
18 WHO HAS LEASED EQUIPMENT OR PROPERTY FROM OR TO THE DEBTORS  
19 SHOULD ASSUME THAT SUCH OBLIGATION, RECEIPT, TRANSFER OR  
20 TRANSACTION MAY BE REVIEWED BY THE REORGANIZED DEBTORS  
21 SUBSEQUENT TO THE EFFECTIVE DATE AND MAY BE THE SUBJECT OF AN  
22 ACTION AFTER THE EFFECTIVE DATE, WHETHER OR NOT: (A) SUCH PERSON  
23 OR GOVERNMENTAL UNIT HAS FILED A PROOF OF CLAIM AGAINST THE  
24 DEBTORS IN THE CASES; (B) SUCH PERSON'S OR GOVERNMENTAL UNIT'S  
25 PROOF OF CLAIM HAS BEEN OBJECTED TO BY THE DEBTORS; (C) SUCH  
26 PERSON'S OR GOVERNMENTAL UNIT'S CLAIM WAS INCLUDED IN THE

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1 DEBTORS' SCHEDULES; OR (D) SUCH PERSON'S OR GOVERNMENTAL UNIT'S  
2 SCHEDULED CLAIM HAS BEEN OBJECTED TO BY THE DEBTORS OR HAS BEEN  
3 IDENTIFIED BY THE DEBTORS AS CONTINGENT, UNLIQUIDATED OR  
4 DISPUTED.

5 5. NO WAIVER OF CLAIMS. NEITHER THE FAILURE TO LIST A CLAIM  
6 IN THE SCHEDULES FILED BY THE DEBTORS, THE FAILURE OF THE DEBTORS  
7 OR ANY OTHER PERSON TO OBJECT TO ANY CLAIM FOR PURPOSES OF  
8 VOTING, THE FAILURE OF THE DEBTORS OR ANY OTHER PERSON TO OBJECT  
9 TO A CLAIM OR ADMINISTRATIVE EXPENSE BEFORE CONFIRMATION OR THE  
10 EFFECTIVE DATE, THE FAILURE OF ANY PERSON TO ASSERT A CLAIM OR  
11 CAUSE OF ACTION BEFORE CONFIRMATION OR THE EFFECTIVE DATE, THE  
12 ABSENCE OF A PROOF OF CLAIM HAVING BEEN FILED WITH RESPECT TO A  
13 CLAIM, NOR ANY ACTION OR INACTION OF THE DEBTORS OR ANY OTHER  
14 PERSON WITH RESPECT TO A CLAIM, OR ADMINISTRATIVE EXPENSE, OTHER  
15 THAN A LEGALLY EFFECTIVE EXPRESS WAIVER OR RELEASE SHALL BE  
16 DEEMED A WAIVER OR RELEASE OF THE RIGHT OF THE REORGANIZED  
17 DEBTORS, BEFORE OR AFTER SOLICITATION OF VOTES ON THE PLAN OR  
18 BEFORE OR AFTER CONFIRMATION OR THE EFFECTIVE DATE TO (A) OBJECT  
19 TO OR EXAMINE SUCH CLAIM OR ADMINISTRATIVE EXPENSE, IN WHOLE OR  
20 IN PART OR (B) RETAIN AND EITHER ASSIGN OR EXCLUSIVELY ASSERT,  
21 PURSUE, PROSECUTE, UTILIZE, OTHERWISE ACT OR OTHERWISE ENFORCE  
22 ANY CLAIM OR CAUSE OF ACTION AGAINST THE HOLDER OF ANY SUCH  
23 CLAIM.

24 6. Disclaimer Regarding Plan Proponent's Knowledge of Potential Claims.<sup>16</sup>  
25

26 <sup>16</sup> Nothing contained in these disclosures of potential claims is an admission by CPF  
or the Debtors relating to any fact, matter or issue.

1           The Debtors have not disclosed any Estate Claims or all prepetition transactions that  
2 might support Estate Claims. The Plan Proponent, CPF, is not affiliated in any way with  
3 the Debtors or their principals, nor does any type of special relationship exist. The only  
4 relationship between CPF and the Debtors is the “debtor/creditor” relationship. Therefore,  
5 CPF does not have access to the Debtors’ business records or communications relating to  
6 its business and other prepetition and postpetition dealings. Notwithstanding CPF’s lack of  
7 access, and the lack of any adequate disclosure by the Debtors in the Cases, CPF has made  
8 an effort to disclose matters that it believes may or could give rise to Estate Claims. The  
9 failure to list a potential Claim, issue, or matter in this Disclosure Statement is not an  
10 admission by CPF that no such Claim, issue, or matter exists, nor shall such failure, which  
11 is based solely on CPF’s lack of access, and the lack of any adequate disclosure by the  
12 Debtors in the Cases, support the application of any preclusion doctrine, including the  
13 doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, waiver,  
14 estoppel (judicial, equitable or otherwise) or laches to preclude the Reorganized Debtors  
15 from pursuing any Claim or cause of action after the Effective Date, regardless of whether  
16 such Claim or cause of action is disclosed herein. Under the Plan, the Reorganized Debtors  
17 will investigate all prepetition transactions and transfers involving the Debtors, Insiders,  
18 Affiliates, Governmental Units, and other Persons and Entities, and the Reorganized  
19 Debtors will pursue any Estate Claims or other Claims that may exist.

20           Under the Plan, “Avoidance Actions” are defined as, “with respect to each Debtor,  
21 all Claims and/or causes of action of the Debtor or its Estate under Sections 543, 544, 545,  
22 546, 547, 548, 549, 550, et seq. of the Bankruptcy Code, or under related state or federal  
23 statutes and common law, including but not limited to fraudulent transfer laws, whether or  
24 not litigation is commenced to prosecute such Avoidance Actions, including but not limited  
25 to all potential causes of action identified in Sections 3(b) and (c) of each Debtor’s Statement  
26 of Financial Affairs filed in the Case.”

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1 Under the Plan, "Estate Claims" is defined as, "with respect to each Debtor, any and  
2 all claims, actions, causes of action, liabilities, obligations, rights, damages, judgments,  
3 demands, defenses, suits, choses in action and all other rights and remedies of the Debtor  
4 and its Estate, for or on behalf of Creditors and/or the Debtor and/or the Estate, including  
5 but not limited to any and all claims and/or causes of action by the Estate and/or the Debtor,  
6 against any and all Creditors, Governmental Units, or other Persons, including but not  
7 limited to any and all claims any of the Debtors may have against their respective current  
8 or former officers, directors, managers, members, employees, consultants, attorneys, and  
9 other professionals, of every kind or nature, whether known or unknown, suspected or  
10 unsuspected, whether arising before, on or after the Petition Date, in contract or in tort, at  
11 law or in equity, and whether or not brought as of the Effective Date, including but not  
12 limited to those for (i) damages, (ii) the recovery of monies, (iii) lien avoidance,  
13 subordination, surcharge, recharacterization, setoff, counterclaim, contribution or  
14 recoupment, (iv) tax refunds, (v) claims and defenses such as fraud, mistake, duress and  
15 usury, (vi) injunctive, equitable or other relief, and (vii) all Avoidance Actions of the  
16 Estate."

17 7. Potential Claims and Causes of Action.

18 a. Insiders and Affiliates. The Debtors may have Estate Claims or other  
19 Claims or causes of action against Insiders, Affiliates, employees, consultants,  
20 attorneys, and other professionals of the Debtors including but not limited to Bruce  
21 Gray, Barbara Gray, and any Person or entity associated with Bruce Gray or Barbara  
22 Gray, directly or indirectly, including but not limited to the entities listed on Exhibit  
23 I attached hereto, and all existing and former employees and consultants employed  
24 by the Debtors, including but not limited to John Gerber, Richard Dunker, Derek  
25 Clayton, and Neil Elsey. The Debtors have not disclosed all prepetition transactions  
26 with Insiders, Affiliates, employees, consultants, attorneys, and other professionals,

1 or any Estate Claims related to transactions with Insiders, Affiliates, employees,  
2 consultants, attorneys, and other professionals of the Debtors. However, under the  
3 Plan, the Reorganized Debtors will fully investigate all transactions, transfers, acts,  
4 omissions, consents, approvals and other conduct, and conduct all necessary and  
5 appropriate discovery to discover and pursue any Estate Claims that may exist in  
6 relation thereto.

7 (1) Potential Avoidance Actions Related to LKY Parcels. The  
8 Debtors may have Estate Claims or other Claims or causes of action against Bruce  
9 Gray and certain of his Affiliates, including but not limited to Gray Phoenix Desert  
10 Ridge I, LLC (“GPDR I”), Gray Phoenix Desert Ridge III, LLC (“GPDR III”), and  
11 Gray Phoenix Desert Ridge IV, LLC (“GPDR IV”), and LKY Real Estate Fund V,  
12 LLC (“LKY”) and Entities related to the foregoing parties, arising from and related  
13 to prepetition transfers by one or more of the Debtors of what has been referred to in  
14 these Cases as the “LKY Parcels”. The LKY Parcels are the subject of ASLD Lease  
15 03-116824-99 and ASLD Lease 03-116825-99. Prepetition, one or more of the  
16 Debtors transferred the LKY Parcels to GPDR III and GPDR IV. A liens against the  
17 20 Acre Parcel was granted to LKY as security for a loan in the amount of \$5.0  
18 million in September 2012 made by LKY to GPDR I. In December 2012, the LKY  
19 Loan to GPDR I was increased to \$6.5 million. At that time, GPDR III and GPDR  
20 IV granted liens in the LKY Parcels to LKY as additional collateral for the \$6.5  
21 million loan. In July 2013, in connection with a transaction in which SDLI purchased  
22 the Blue Sky Property, a \$5,236,500 payment was made to LKY, reducing the LKY  
23 loan balance to approximately \$1.5 million and the 20 Acre Parcel was released by  
24 LKY. In May 2014, LKY made an additional advance to GPDR I, increasing the  
25 loan balance secured by the LKY Parcels by \$800,000 to \$2.3 million. Gray pledged  
26 two lots in Paradise Valley as additional collateral for the GPDR I loan. On May 12,

1 2016, four days before the Petition Date of the May Debtors' cases, LKY made an  
2 additional advance in the amount of \$640,000 to GPDR I. On June 7, 2016,  
3 postpetition in the May Debtors' cases, GPDR III and GPDR IV transferred the LKY  
4 Parcels to LKY in satisfaction of the GPDR I debt, and LKY granted GPDR I an  
5 option to repurchase the LKY Parcels on or before March 1, 2017. The Debtors have  
6 not disclosed these transactions or any potential Estate Claims related to these  
7 transactions. However, under the Plan, the Reorganized Debtors will fully  
8 investigate all transactions, transfers, acts, omissions, consents, approvals and other  
9 conduct, and conduct all necessary and appropriate discovery to discover and pursue  
10 any Estate Claims that may exist in relation thereto.

11 b. Documents, Agreements, Consents, and Approvals Related to the  
12 Desert Ridge Master Planned Community. The Debtors may have Estate Claims or  
13 other Claims or causes of action against Persons, Entities or Governmental Units  
14 related to the Desert Ridge Master Planned Community and the DR Property,  
15 included but not limited to Estate Claims or other Claims or causes of action arising  
16 from or related to recorded and unrecorded Documents, leases, certificates of  
17 purchase, contracts, agreements, easements, consents, approvals and other matters  
18 related to the Desert Ridge Master Planned Community and the DR Property,  
19 including but not limited to the Documents listed on Exhibit J attached hereto. Under  
20 the Plan, the Reorganized Debtors will fully investigate all transactions, transfers,  
21 acts, omissions, consents, approvals and other conduct, and conduct all necessary  
22 and appropriate discovery to discover and pursue any Estate Claims that may exist  
23 in relation thereto.

24 c. Professionals and Trade Vendors. The Debtors may have Estate  
25 Claims or other Claims or causes of action against Insiders, Affiliates, Persons and  
26 Entities that provided services to the Debtors before or after the Petition Date,

1 including but not limited to any Creditor that filed a Claim in the Cases or was  
2 employed in the cases by the Debtors. The Reorganized Debtors will investigate and  
3 conduct all necessary and appropriate discovery to discover and pursue any Estate  
4 Claims that may exist, including but not limited to Estate Claims related to services  
5 provided by engineers, architects, attorneys, and other professionals, and Estate  
6 Claims related to or arising from trademarks, copyrights, and other intellectual  
7 property rights with respect to Documents related to the Assets of the Debtors.

8 d. Prior Amendments, Consents, Approvals, Acts and Omissions to  
9 Master Plans and CC&Rs for Desert Ridge. The Debtors may have Estate Claims  
10 or other Claims or causes of action against Persons, Entities or Governmental Units  
11 arising from or related to prior amendments, consents, approvals, acts and omissions  
12 related to the Declaration of Covenants, Conditions, Restrictions and Easements for  
13 Desert Ridge, Phoenix, Arizona, recorded on February 7, 1994 in the Official  
14 Records of Maricopa County, Arizona as Instrument No. 94-0106341, as the same  
15 may have been or may be amended or modified from time to time, including, but not  
16 limited to amendments affecting Superblocks 1 – 12 of the Desert Ridge Master  
17 Planned Community, the Declaration of Covenants, Conditions, Restrictions and  
18 Easements for Desert Ridge Commercial Core, recorded as Instrument No. 2000-  
19 0555236, as amended, and the Desert Ridge Master Street Plan, Master Conceptual  
20 Drainage Plan, Master Water and Wastewater Plan, Master Conceptual Bicycle and  
21 Pedestrian Circulation Plan, and Master Water Conservation Plan, and other  
22 Documents affecting property subject to the Debtors' Master Developer and  
23 Declarant rights. Under the Plan, the Reorganized Debtors will fully investigate all  
24 transactions, transfers, acts, omissions, consents, approvals and other conduct, and  
25 conduct all necessary and appropriate discovery to discover and pursue any Estate  
26 Claims that may exist in relation thereto.

1 e. Desert Ridge Marketing Program. The Debtors may have Estate  
2 Claims or other Claims or causes of action against Persons, Entities or Governmental  
3 Units arising from or related to the Desert Ridge Marketing Plan. Pursuant to Section  
4 3.10 of the Desert Ridge Master CC&Rs, the Master Developer was required to set  
5 up a Marketing Program for the Desert Ridge master planned community. The  
6 marketing program was supposed to be funded by Developer Owners of Residential  
7 Parcels (mostly homebuilders). The current status of the Desert Ridge Marketing  
8 Plan is unknown. However, under the Plan, the Reorganized Debtors will fully  
9 investigate all transactions, transfers, acts, omissions, consents, approvals and other  
10 conduct and conduct all necessary and appropriate discovery to discover and pursue  
11 any Estate Claims that may exist in relation thereto.

12 f. Desert Ridge Community Association. The Debtors may have Estate  
13 Claims or other Claims or causes of action against Persons, Entities or Governmental  
14 Units arising from or related to committees, board members, and association  
15 membership and voting in the Desert Ridge Community Association, and any other  
16 existing property associations relating to Superblocks 1 – 12. Under the Plan, the  
17 Reorganized Debtors will fully investigate all transactions, transfers, acts, omissions,  
18 consents, approvals, budgets, audits, contracts, and other conduct, and conduct all  
19 necessary and appropriate discovery to discover and pursue any Estate Claims that  
20 may exist in relation thereto.

21 g. High Street Matters. The Debtors may have Estate Claims or other  
22 Claims or causes of action against Persons, Entities or Governmental Units arising  
23 from or related to the existing High Street development in the Commercial Core.  
24 Under the Plan, the Reorganized Debtors will fully investigate all transactions,  
25 transfers, acts, omissions, consents, approvals, budgets, audits, contracts, and other  
26 conduct, and conduct all necessary and appropriate discovery to discover, pursue,

1 and resolve any Estate Claims that may exist in relation thereto, and eliminate any  
2 ambiguity and uncertainty with respect to matters involving the High Street property.

3 (1) City of Phoenix Parking Development Agreement. This  
4 document was a development agreement entered into between Northeast Phoenix  
5 Partners (“NPP”) and the City of Phoenix when NPP was intending to develop a  
6 large scale mixed-use property on the Desert Ridge Commercial Core. NPP is the  
7 predecessor in interest to the Debtors, LKY, and the current owners of High Street  
8 in the Commercial Core. Essentially, the City of Phoenix agreed to subsidize the  
9 development by reimbursing NPP for the cost of constructing parking garages for  
10 the property out of 50% of the sales taxes generated. NPP was supposed to start  
11 receiving these funds when it had developed a minimum of 1,200,000 square feet of  
12 retail space within the Core and constructed a minimum of 3,180 parking spaces  
13 within parking garages, including at least 200 committed as car pool spaces. The  
14 Parking Development Agreement predated the establishment of the High Street  
15 project, so the High Street property is included in the property covered by the Parking  
16 Development Agreement. It is not clear what impact the Parking Development  
17 Agreement has on parking and building requirements within the Commercial Core  
18 and related issues. Under the Plan, the Reorganized Debtors will fully investigate  
19 all matters related to the Parking Development Agreement, and conduct all necessary  
20 and appropriate discovery to discover, pursue, and resolve any Estate Claims that  
21 may exist in relation thereto, and eliminate any ambiguity and uncertainty with  
22 respect to the Parking Development Agreement.

23 (2) Conflict between Map of Dedication for City North and 2016  
24 Conceptual Plan. There are a number of conflicts between the Map of Dedication  
25 for City North and the Debtors’ 2016 Conceptual Plan for the Desert Ridge  
26 Commercial Core.

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(a) Sewer and Drainage Easements. The Map of Dedication establishes easements for sewer and drainage which directly serve the High Street property. The easements for sewer and drainage are inconsistent with the Debtors' 2016 Conceptual Plan. It is not clear what consents from the City of Phoenix, the owners of High Street, or other Persons, Entities, or Governmental Unites are or are not required to terminate or relocate the easements.

(b) The 2016 Conceptual Plan changes the road locations through the remaining Commercial Core property, which will almost certainly require that the sewer and drainage easements be relocated to conform to the new plan. It is not clear what consents from the City of Phoenix, the owners of High Street, or other Persons, Entities, or Governmental Unites are or are not required to terminate or relocate the easements.

(c) Street Relocations. The 2016 Conceptual Plan makes very dramatic changes in the street layout for the Core from that existing in the Map of Dedication. It is not clear what consents from the City of Phoenix, the owners of High Street, or other Persons, Entities, or Governmental Unites are or are not required to address the changes in the street layout.

(3) Approval rights over High Street. It is not clear what approval rights the Declarant under the Commercial Core CC&Rs and Master CC&Rs retains over further development of the High Street property, but it appears control still remains.

(4) Limitations on High Street imposed by Declaration of EC&RS Phase I. This document, recorded against High Street in 2007 by NPP, imposes height limits on what can be constructed on the High Street project. Note that the

1 EC&Rs do not address use or square footage.

2 (a) Overall Limit. The lesser of 4 stories above grade or  
3 sixty feet in height.

4 (b) Building on A-2 has a permitted height of the lesser of  
5 66 feet or 4 stories plus a penthouse level comprised of one or more residential  
6 units set back so as to cover not more than 90% of the lower story area.

7 (c) Building on A-14 has a permitted height of the lesser of  
8 65 feet (not sure why one foot shorter but that is what it says) or 4 stories plus  
9 a penthouse level.

10 (d) Any changes to these height restrictions would require  
11 Declarant approval under the Commercial Core CC&Rs.

12 (5) Property Development Agreement. This Agreement was  
13 entered into between Gray and the then owner of High Street to limit Gray's approval  
14 rights in return for limiting the number of multifamily units permitted on High Street.

15 (a) Limit on Apartments. The High Street owner agreed to  
16 limit any apartment project on the 5 acres to not more than 50 units (which  
17 could be any combination of 1, 2 or 3 bedroom units).

18 (b) Limitation on Design Review. Under the Plan, the  
19 Reorganized Debtors will seek to confirm what remaining approval rights  
20 exists with respect to further design, construction and development of the  
21 High Street property, including any vacant land.

22 (6) Internal Access Road to 56th Street. Pursuant to the Second  
23 Amended and Restated Mutual Easement Agreement, the High Street property  
24 appears to have a roadway and utility easements across the Core Lease property to  
25 provide a secondary access to 56th Street. The Commercial Core owner has the right  
26 to relocate this road.



1 (7) Tiny Parcel Option. The Second Amended and Restated  
2 Mutual Easement Agreement refers to the existence of a put call option between  
3 (originally) Gray and the High Street owner requiring the High Street owner to sell  
4 and Gray (or its successor) to buy, a .05 acre parcel next to the High Street garage.  
5 There is a recorded notice of this Option. The option was between High Street and  
6 Gray Phoenix Desert Ridge IV, LLC and related to part of the leasehold held by Gray  
7 Phoenix Desert Ridge IV, LLC.

8 h. Easements Affecting DR Property. The Debtors may have Estate  
9 Claims or other Claims or causes of action against Persons, Entities or Governmental  
10 Units arising from or related to existing easements and rights of way affecting the  
11 DR Property. A new survey of the DR Property is necessary to identify any such  
12 issues. However, it is believed that at least one old Arizona Public Service easement  
13 exists that should be removed. Other easements and right of way issues may exist.  
14 Under the Plan, the Reorganized Debtors will fully investigate all transactions,  
15 transfers, acts, omissions, consents, approvals, budgets, audits, contracts, and other  
16 conduct, and conduct all necessary and appropriate discovery to discover and pursue  
17 any Estate Claims that may exist in relation thereto.

18 i. Property Tax Issues. The Debtors may have Estate Claims or Other  
19 Claims or causes of action against Persons, Entities, or Governmental Units related  
20 to the tax treatment of property owned or leased by the Debtors, including but not  
21 limited to amendments to the Arizona Constitution and Arizona Revised Statutes to  
22 implement Proposition 117 approved by Arizona voters in the 2012 general election.  
23 Under the Plan, the Reorganized Debtors will fully investigate all transactions,  
24 transfers, acts, omissions, consents, approvals, budgets, audits, contracts, and other  
25 conduct, and conduct all necessary and appropriate discovery to discover and pursue  
26 any Estate Claims that may exist in relation thereto.

1 **G. General Provisions.**<sup>17</sup>

2 1. Notices Under the Plan. Notices, requests, or demands with respect to this  
3 Plan shall be in writing and shall be deemed to have been received within five (5) days of  
4 the date of mailing, provided they are sent by registered mail or certified mail, postage  
5 prepaid, return receipt requested, and:

6 if sent to CPF, addressed to:

7 GALLAGHER & KENNEDY, P.A.  
8 Attn.: Todd A. Burgess  
9 2575 East Camelback Road  
10 Phoenix, Arizona 85016-9225  
11 Facsimile: (602) 530-8500  
12 Email: [todd.burgess@gknet.com](mailto:todd.burgess@gknet.com)

13 2. Withholding Taxes/Setoffs. The Reorganized Debtors shall be entitled to  
14 deduct any Federal or State withholding taxes from any payments with respect to Allowed  
15 Claims for wages of any kind. The Reorganized Debtors may, but shall not be required to,  
16 set off or recoup against any Claim, and the payments to be made pursuant to the Plan in  
17 respect of such Claim, any claims of any nature whatsoever the Debtors or the Estates may  
18 have against the holder of such Claim, but neither the failure to do so nor the allowance of  
19 any Claim hereunder shall constitute a waiver or release by the Reorganized Debtors of any  
20 such claim the Debtors may have against such holder.

21 3. Committee. On the Effective Date, any Committee appointed in the Case  
22 shall automatically dissolve and the members thereof and the Professional Persons retained  
23 by the Committee in accordance with Section 1103 of the Bankruptcy Code shall be  
24 released and discharged from their respective duties and obligations.

25 4. Headings. The headings used in this Plan are inserted for convenience only  
26 and neither shall constitute a portion of this Plan nor in any manner affect the provisions of  
this Plan.

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<sup>17</sup> See Plan at Article 14.  
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1           5.     Severability. In the event that the Bankruptcy Court determines, prior to the  
2 Confirmation Date, that any provision of the Plan is invalid, void, or unenforceable, the  
3 Bankruptcy Court shall, with the consent of CPF, but not otherwise, have the power to alter  
4 and interpret such term or provision to make it valid or enforceable to the maximum extent  
5 practicable, consistent with the original purpose of the term or provision held to be invalid,  
6 void, or unenforceable, and such term or provision shall then be applicable as altered or  
7 interpreted. Notwithstanding any such holding, alteration, or interpretation, the remainder  
8 of the terms and provisions of the Plan shall remain in full force and effect and shall in no  
9 way be affected, impaired, or invalidated by such holding, alteration, or interpretation. The  
10 Confirmation Order shall constitute a judicial determination and shall provide that each  
11 term and provision of the Plan, as it may have been altered or interpreted in accordance with  
12 the foregoing, is valid and enforceable pursuant to its terms.

13           6.     Certain Terminations. On the Effective Date, all instruments evidencing  
14 indebtedness of the Debtors discharged by the Plan shall be deemed canceled, except to the  
15 extent that this Plan provides for the retention of Liens.

16           7.     Governing Law. Except to the extent that the Bankruptcy Code is applicable,  
17 the rights and obligations arising under this Plan shall be governed by, and construed and  
18 enforced in accordance with, the internal laws of the State of Arizona without regard to its  
19 conflicts of law principles.

20           8.     Contingent or Unliquidated Claims. The Bankruptcy Court shall fix, liquidate  
21 or estimate the amount of any contingent or unliquidated Claim pursuant to Section 502 of  
22 the Bankruptcy Code. The amount so fixed shall be deemed the allowed amount of such  
23 contingent or unliquidated Claim for purposes of this Plan. In lieu thereof, the Bankruptcy  
24 Court may determine the amount to be reserved for such contingent or unliquidated Claim,  
25 which amount shall be the maximum amount which the holder of such contingent or  
26 unliquidated Claim shall be entitled to receive under this Plan if such contingent or

1 unliquidated Claim is allowed in whole or in part.

2 9. Revocation of Plan. CPF reserves and shall have the right to revoke and  
3 withdraw this Plan at any time before Confirmation.

4 10. Modification of Plan. CPF reserves and shall have the right to propose  
5 alterations, amendments, or modifications of or to the Plan in writing at any time prior to  
6 the Confirmation Date, in accordance with Section 1127 of the Bankruptcy Code and  
7 Bankruptcy Rule 3019. CPF may alter, amend, or modify the Plan at any time after the  
8 Confirmation Date and before substantial consummation in accordance with Section 1127  
9 of the Bankruptcy Code. A holder of a Claim that has accepted the Plan shall be deemed to  
10 have accepted the Plan, as altered, amended or modified, to the extent, and subject to the  
11 conditions, set forth in Bankruptcy Rule 3019. Without limiting the foregoing, after  
12 Confirmation, CPF may, upon Order from the Bankruptcy Court, in accordance with  
13 Section 1127(b) of the Bankruptcy Code, remedy any defect or omission or reconcile any  
14 inconsistency in this Plan in such manner as may be necessary to carry out the purpose of  
15 this Plan.

16 11. Reservation of Rights. Nothing contained herein shall prohibit CPF from  
17 prosecuting or defending any of its rights as may exist on its own behalf before the Effective  
18 Date. If CPF withdraws or revokes the Plan prior to the Confirmation Date, or if  
19 Confirmation of the Plan does not otherwise occur, the Plan shall be deemed null and void.  
20 In such event, nothing contained in the Plan shall be deemed to constitute a waiver or release  
21 of any Claims by or against the Debtors, their Estates, or any other Person, or to prejudice  
22 in any manner, the rights and remedies of the creditors, the Debtors, their Estates, or any  
23 other Person in any further proceedings involving the Debtors or their Estates or any other  
24 Person. The filing of the Plan and or any modifications hereto, and the Plan itself shall not  
25 constitute a waiver by CPF of any rights, remedies, objections, or causes of action it may  
26 have or may wish to raise with respect to any matter whatsoever, including, without

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1 limitation, any other plan or plans filed or to be filed in any of the Cases, all of which rights  
2 and objections are hereby reserved.

3 12. Exemption from Certain Transfer Taxes. Pursuant to Section 1146(a) of the  
4 Bankruptcy Code, the issuance, transfer or exchange of a security, or the making or delivery  
5 of an instrument of transfer hereunder will not be subject to any stamp, tax, or similar tax.

6 13. Injunction. Except as otherwise provided in the Plan or the Confirmation  
7 Order, and except for any actions timely filed pursuant to Section 523 of the Bankruptcy  
8 Code or any Claims declared by the Bankruptcy Court to be non-dischargeable pursuant to  
9 Section 523 of the Bankruptcy Code, as of the Confirmation Date, but subject to the  
10 occurrence of the Effective Date, all Persons who have held, hold or may hold Claims  
11 against the Debtors or their Estates, or Equity Security Interests in the Debtors, are, with  
12 respect to any such Claims or Equity Security Interests, permanently enjoined from and  
13 after the Confirmation Date from: (i) commencing, conducting or continuing in any  
14 manner, directly or indirectly, any suit, action or other proceeding of any kind (including,  
15 without limitation, any proceeding in a judicial, arbitral, administrative or other forum) with  
16 respect to any such Claim against or affecting the Debtors, their Estates or any of their  
17 respective property, or any direct or indirect post-Effective Date transferee of any property  
18 of, or post-Effective Date direct or indirect successor in interest to, any of the foregoing  
19 Persons, solely in their capacity as such transferees or successors in interest, or any property  
20 of any such transferee or successor, solely in such capacity; (ii) enforcing, levying, attaching  
21 (including, without limitation, any pre-judgment attachment), collecting or otherwise  
22 recovering by any manner or means, whether directly or indirectly, with respect to any  
23 judgment, award, decree or order against the Debtors, their Estates or any of their respective  
24 property, or any direct or indirect post-Effective Date transferee of any property of, or post-  
25 Effective Date direct or indirect successor in interest to, any of the foregoing Persons, solely  
26 in their capacity as such transferees or successors in interest, or any property of any such

1 transferee or successor, solely in such capacity; (iii) creating, perfecting or otherwise  
2 enforcing in any manner, directly or indirectly, any encumbrance of any kind against the  
3 Debtors, their Estates or any of their respective property, or any direct or indirect post-  
4 Effective Date transferee of any property of, or post-Effective Date direct or indirect  
5 successor in interest to, any of the foregoing Persons, solely in their capacity as such  
6 transferees or successors in interest, or any property of any such transferee or successor,  
7 solely in such capacity; (iv) asserting initially after the Effective Date any right of setoff,  
8 subrogation, or recoupment of any kind, directly or indirectly, against any obligation due to  
9 the Debtors, their Estates or any of their respective property, or any direct or indirect post-  
10 Effective Date transferee of any property of, or post-Effective Date direct or indirect  
11 successor in interest to, any of the foregoing Persons, solely in their capacity as such  
12 transferees or successors in interest, or any property of any such transferee or successor,  
13 solely in such capacity; and (v) acting or proceeding in any manner, in any place  
14 whatsoever, that does not conform to or comply with the provisions of the Plan to the full  
15 extent permitted by applicable law. By accepting a distribution pursuant to the Plan, each  
16 holder of an Allowed Claim receiving distributions pursuant to the Plan will be deemed to  
17 have specifically consented to the injunctions set forth in this section, and, except as set  
18 forth in this Section, waives any and all claims, causes of action, remedies and objections  
19 of every kind against the Debtors.

20 14. Term of Injunctions or Stays. Unless otherwise provided, all injunctions or  
21 stays arising before the Confirmation Date in accordance with Sections 105 or 362 of the  
22 Bankruptcy Code, and in existence on the Confirmation Date, shall remain in full force and  
23 effect until the Effective Date, or such later date as provided under applicable law. For the  
24 avoidance of doubt, this Section 14.13 does not apply to the permanent injunction set forth  
25 in Section 14.12 of the Plan.

26 15. Injunction against Interference with Plan. Upon the entry of the Confirmation

1 Order, all holders of Claims and Equity Security Interests and other parties in interest,  
2 including the Debtors, along with their respective present or former employees, agents,  
3 officers, directors, or principals, shall be enjoined from taking any actions to interfere with  
4 the implementation or consummation of the Plan.

5 16. Exculpation. Except with respect to obligations under the Plan, neither CPF,  
6 nor any of its respective Representatives, (solely in their capacity as such) (each an  
7 “Exculpated Party”), shall have or incur any liability to the Debtors or any of their  
8 Representatives or any holder of a Claim or Equity Security Interest for any act or omission  
9 in connection with, or arising out of: (i) the Case; (ii) the development, negotiation or  
10 confirmation of the Plan; (iii) the consummation of the Plan; or (iv) the administration of  
11 the Plan or property to be distributed pursuant to the Plan, except for fraud, willful  
12 misconduct, recklessness or gross negligence; and, in all respects, each Exculpated Party  
13 shall be entitled to rely upon the advice of counsel with respect to their duties and  
14 responsibilities under the Plan.

15 17. Successors and Assigns. The rights and obligations of any Entity named or  
16 referred to in the Plan shall be binding upon and shall inure to the benefit of, the  
17 predecessors, successors, assigns and agents of such Entity.

18 **H. Conditions Precedent To Effectiveness Of Plan.**<sup>18</sup>

19 The following shall be conditions to the occurrence of the Effective Date unless such  
20 conditions shall have been duly waived as provided below: The Confirmation Order in  
21 form and substance acceptable to CPF shall have become a Final Order, except that CPF  
22 reserves the right to cause the Effective Date to occur notwithstanding the pendency of an  
23 appeal of the Confirmation Order.

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See Plan at Article 15.

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**VII.**  
**FEDERAL TAX CONSEQUENCES**

Each holder of a claim is urged to consult with its own tax advisor regarding the federal, state, local and other tax consequences of the Plan. No rules have been requested from the Internal Revenue Service with respect to any of the tax aspects of the Plan.

**VIII.**  
**VOTING PROCEDURES AND REQUIREMENTS**

**A. Parties Entitled to Vote**

If you hold an Allowed Claim that is “impaired” under the Plan, you are entitled to vote to accept or reject the Plan. Accordingly, to be entitled to vote, your Claim must be “allowed” as set forth in Section 502 of the Bankruptcy Code or temporarily allowed as set forth in Bankruptcy Rule 3018(a). Additionally, Section 1126(f) of the Bankruptcy Code permits you to vote to accept or reject the Plan only if your Claim is “impaired.”

**B. Procedures for Voting**

1. Submission of Ballots. After this Disclosure Statement has been approved by the Bankruptcy Court, all Creditors whose votes are solicited (as explained above) will be sent (a) a ballot, together with instructions for voting (the “Ballot”); (b) a copy of this Disclosure Statement as approved by the Bankruptcy Court; and (c) a copy of the Plan. You should read the Ballot carefully and follow the instructions. Please use only the Ballot sent with this Disclosure Statement. You should complete your Ballot and return it to:

GALLAGHER & KENNEDY, P.A.  
Attn: Todd A. Burgess  
2575 East Camelback Road, Suite 1100  
Phoenix, AZ 85016  
Telephone: (602) 530-8000  
Email: [todd.burgess@gknet.com](mailto:todd.burgess@gknet.com)

TO BE COUNTED, YOUR BALLOT MUST BE RECEIVED AT THE ADDRESS LISTED ABOVE BY 5:00 P.M., MOUNTAIN STANDARD TIME, ON \_\_\_\_\_, 2017. IF YOUR BALLOT IS NOT TIMELY RECEIVED, IT



1 WILL NOT BE COUNTED IN DETERMINING WHETHER THE PLAN HAS BEEN  
2 ACCEPTED OR REJECTED.

3 2. Procedures for Vote Tabulation. In determining whether the Plan has been  
4 accepted or rejected, Ballots will be tabulated in accordance with the Court's Order  
5 approving this Disclosure Statement.

6 3. Withdrawal of Ballots. A Ballot may not be withdrawn or changed after it is  
7 cast unless the Bankruptcy Court permits you to do so after notice and a hearing to  
8 determine whether sufficient cause exists to permit the change.

9 4. Questions and Lost or Damaged Ballots. If you have any questions  
10 concerning voting procedures, if your Ballot is damaged or lost, or if you believe you should  
11 have received a Ballot but did not receive one, you may contact CPF's counsel, Todd  
12 Burgess, at the address and telephone number listed above.

13 5. Preference of Creditors. The Ballot will also ask Creditors to express their  
14 preference as between the CPF Plan, the May Debtors' proposed plan, and the July Debtors'  
15 proposed plan.

16 **C. Summary of Voting Requirements.**

17 In order for the Plan to be confirmed, the Plan must be accepted by at least one (1)  
18 impaired Class of Claims. For a Class of Claims to accept the Plan, votes representing at  
19 least two-thirds in claim amount and a majority in number of the Claims voted in that Class  
20 (not including votes of insiders) must be cast to accept the Plan.

21 **IT IS IMPORTANT THAT HOLDERS OF ALLOWED IMPAIRED**  
22 **CLAIMS EXERCISE THEIR RIGHTS TO VOTE TO ACCEPT OR**  
23 **REJECT THE PLAN. CPF ASSERTS THAT THE TREATMENT OF**  
24 **CREDITORS UNDER THE PLAN IS THE BEST ALTERNATIVE**  
25 **FOR CREDITORS, AND CPF RECOMMENDS THAT THE**  
**HOLDERS OF ALLOWED CLAIMS VOTE IN FAVOR OF THE**  
**PLAN.**

26 The specific treatment of each Class under the Plan is described in the Plan and is

1 summarized in this Disclosure Statement.

2 **IX.**  
3 **LIQUIDATION ANALYSIS**

4 CPF contends that the Plan will provide a materially better recovery to creditors, in  
5 light of the CPF Plan Contribution, which would be unavailable in the event of conversion  
6 of the Cases to chapter 7. In a conversion to chapter 7, CPF likely would be granted stay  
7 relief and would simply foreclose on its collateral. The following chart summarizes CPF's  
8 secured debts against the Debtors, projected as of April 30, 2017 based on per diem accruals,  
9 and the real estate appraisals submitted by CPF and the Debtors in the cases:

10 Debt	11 Balance (excluding post-petition attorneys' fees and costs)	12 Per Diem Interest	13 Per Diem Late Fees	14 Collateral	15 Debtor	16 CPF Appraisals	17 Debtor Appraisals
18 Ganymede Note	\$76,160,850	\$74,901	-	96 Acres	EP & GMF	\$54,000,000	\$121,000,000
19 STB Note	\$3,890,569	\$688	-	96 Acres	EP & GMF	\$54,000,000	\$121,000,000
20 \$26.5 MM Note	\$37,370,260	\$13,068	\$10,000	20 Acres Blue Sky Parcel 2H	GPDR II SDLI EoE	\$13,067,950 \$22,470,000 \$4,970,000	\$27,300,000 - \$11,100,000
21 \$3.7 MM Note	\$5,315,829	\$1,825	\$1,500	Parcel 2H	EoE	\$4,970,000	\$11,100,000
22 Totals	\$122,737,508	\$90,482	\$11,500				

23 The Debtors dispute CPF's Secured Claims, but CPF contends that the Debtors'  
24 objections are unfounded. The Debtors and CPF also dispute the value of CPF's Collateral.  
25 The Court currently is conducting a valuation and indubitable equivalence trial with respect  
26 to the 96 Acres and the 20 Acres. CPF expects that the valuation and indubitable

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1 equivalence trial will be completed by April 21, 2017, and that, shortly thereafter, the Court  
2 will make specific findings and conclusions regarding valuation and indubitable  
3 equivalence as it relates to the May Debtors' proposed plan. The Court's findings and  
4 conclusions may impact the Liquidation Analysis.

5 **X.**  
6 **CONFIRMATION OF THE PLAN**

7 **A. Confirmation Hearing**

8 Section 1128(a) of the Bankruptcy Code provides that the Bankruptcy Court, after  
9 notice, will hold a Confirmation Hearing on the Plan. The Confirmation Hearing will be  
10 held at the United States Bankruptcy Court, 230 N. First Avenue, Courtroom 702, Phoenix,  
11 Arizona, on \_\_\_\_\_, 2017, at \_\_\_\_\_ a.m./p.m. **THE HEARING MAY BE**  
12 **ADJOURNED FROM TIME TO TIME BY THE COURT WITHOUT FURTHER**  
13 **NOTICE EXCEPT FOR AN ANNOUNCEMENT MADE AT THE HEARING.**

14 **B. Objections to Confirmation.**

15 Section 1128(b) of the Bankruptcy Code provides that any party-in-interest may  
16 object to confirmation of the Plan, regardless of whether it is entitled to vote. Objections  
17 to confirmation of the Plan are governed by Bankruptcy Rule 9014. **IF AN OBJECTION**  
18 **TO CONFIRMATION IS NOT TIMELY MADE, THE COURT NEED NOT**  
19 **RECEIVE OR CONSIDER IT. ALL OBJECTIONS TO CONFIRMATION OF THE**  
20 **PLAN MUST BE FILED WITH THE BANKRUPTCY COURT AND SERVED ON**  
21 **COUNSEL FOR CPF AT THE ADDRESSES SET FORTH ABOVE, ON THE**  
22 **UNITED STATES TRUSTEE, ON THE DEBTORS, AND ON ANY PARTY-IN-**  
23 **INTEREST WHO HAS REQUESTED NOTICE IN THE DEBTOR'S**  
24 **BANKRUPTCY CASE, BY \_\_\_\_\_, 2017.**

25 **C. Requirements for Confirmation of the Plan**

26 1. Confirmation under Section 1129(a) of the Bankruptcy Code. At the

Confirmation Hearing, the Bankruptcy Court will determine whether the requirements of

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1 Section 1129(a) of the Bankruptcy Code have been satisfied, in which event the Bankruptcy  
2 Court will enter an order confirming the Plan. Such requirements include, among others:

3 a. That the Plan Proponent has complied with the applicable provisions  
4 of Chapter 11, including the provisions of Sections 1122 and 1123 of the Bankruptcy  
5 Code governing classification of claims and interests and contents of a plan of  
6 reorganization.

7 b. That the Plan has been proposed in good faith and not by any means  
8 forbidden by law.

9 c. That any payment made or promised by the Plan Proponent to any  
10 Person for services, costs, or expenses in connection with the Bankruptcy Case or  
11 the Plan has been approved by or is subject to approval by the Bankruptcy Court as  
12 reasonable.

13 d. That the Plan Proponent has disclosed the identity and affiliations of  
14 Persons proposed to serve as officers after confirmation.

15 e. That one or more of the impaired Classes of Claims has voted to accept  
16 the Plan.

17 f. That the Plan is in the best interests of holders of Claims and Equity  
18 Interests; that is, each holder of an Allowed Claim or Allowed Equity Interest either  
19 has accepted the Plan or will receive on account of its Claim or Equity Interest  
20 property with a value, as of the Effective Date, that is not less than the amount that  
21 the holder of such Claim or Equity Interest would receive if the Debtors were  
22 liquidated under Chapter 7 of the Bankruptcy Code on the Effective Date.

23 g. That the Plan is feasible; that is, confirmation is not likely to be  
24 followed by the need for liquidation or further reorganization of the Debtors unless  
25 that is provided for in the Plan.

26 2. The Plan Satisfies Bankruptcy Code Requirements.

1           a.     Best Interests Test and Liquidation Analysis. Under the best interests  
2 test, the Plan is confirmable if, with respect to each impaired Class of Claims or  
3 Equity Interests, each holder of an Allowed Claim or Allowed Equity Interest in such  
4 Class either: (i) has accepted the Plan; or (ii) will receive or retain under the Plan,  
5 on account of its Claim or Interest, property of a value, as of the Effective Date, that  
6 is not less than the amount such holder would receive or retain if the Debtors were  
7 liquidated under Chapter 7 of the Bankruptcy Code. The Debtors believe the  
8 distributions to Creditors under the Plan will meet or exceed the recoveries that  
9 Creditors would receive in a Chapter 7 liquidation of the Debtors and their Estates.  
10 The Debtors believe that the Plan provides an equal or better return to Creditors than  
11 they can otherwise receive under Chapter 7, and therefore the best interests of  
12 creditors test is met.

13           b.     Feasibility of the Plan. Section 1129(a)(11) of the Bankruptcy Code  
14 includes what is commonly described as the “feasibility” standard. In order for the  
15 Plan to be confirmed, the Bankruptcy Court also must determine that the Plan is  
16 feasible - that is, that the need for further reorganization or a subsequent liquidation  
17 of the Debtors is not likely to result following confirmation of the Plan. As set forth  
18 in this Disclosure Statement and in the Plan, CPF believes that the Plan is feasible.  
19 CPF will provide evidence of its financial wherewithal to make the CPF Plan  
20 Contribution and other payments required under the Plan prior to the Confirmation  
21 Hearing.

22           c.     Acceptance by an Impaired Class. Because the Plan impairs some  
23 Classes of Claims, Section 1129(a)(10) of the Bankruptcy Code requires that, for the  
24 Plan to be confirmed, at least one impaired Class must accept the Plan by the  
25 requisite vote without counting the votes of any “insiders” (as that term is defined in  
26 Section 101(31) of the Bankruptcy Code) contained in that Class. CPF will vote to

1 accept the Plan, therefore, this requirement will be satisfied.

2 d. Confirmation Under Section 1129(b) of the Bankruptcy Code.

3 Although Section 1129(a)(8) of the Bankruptcy Code requires that the Plan be  
4 accepted by each Class that is impaired by the Plan, Section 1129(b) of the  
5 Bankruptcy Code provides that the Bankruptcy Court may still confirm the Plan at  
6 the request of the Plan Proponent if all requirements of Section 1129(a) of the  
7 Bankruptcy Code are met except for Section 1129(a)(8) and if, with respect to each  
8 Class of Claims or Equity Interests that (a) is impaired under the Plan, and (b) has  
9 not voted to accept the Plan, the Plan “does not discriminate unfairly” and is “fair  
10 and equitable.” This provision commonly is referred to as a “cramdown.” The Plan  
11 Proponent has requested cramdown confirmation of the Plan with respect to any such  
12 non-accepting Class of Creditors. The Plan Proponent believes that, with respect to  
13 such Class or Classes, the Plan meets the requirements of Section 1129(b) of the  
14 Bankruptcy Code.

15 (1) Unfair Discrimination. A plan of reorganization “does not  
16 discriminate unfairly” if: (i) the legal rights of a non-accepting class are  
17 treated in a manner that is consistent with the treatment of other classes whose  
18 legal rights are related to those of the non-accepting class; and (ii) no class  
19 receives payments in excess of that which it is legally entitled to receive on  
20 account of its Claims or Equity Interests. The Plan Proponent asserts that  
21 under the Plan: (i) all classes of impaired Claims are being treated in a manner  
22 that is consistent with the treatment of other similar classes of Claims; and (ii)  
23 no Class of Claims will receive payments or property with an aggregate value  
24 greater than the sum of the Allowed Claims in the Class. Accordingly, the  
25 Plan Proponent believes that the Plan does not discriminate unfairly as to any  
26 impaired Class of Claims or Equity Interests.

1 (2) Fair and Equitable Test. The Bankruptcy Code establishes  
2 different “fair and equitable” tests for Secured Creditors, Unsecured  
3 Creditors, and holders of Equity Interests, as follows:

4 (a) Secured Creditors. With respect to a secured claim, “fair  
5 and equitable” means that a plan provides that either (A) the holder of  
6 the secured claim in an impaired class retains the liens securing such  
7 claim, whether the property subject to such liens is retained by the  
8 debtor or transferred to another entity, to the extent of the amount of  
9 such allowed claim, and that the holder of such claim receives on  
10 account of such claim deferred cash payments totaling at least the  
11 amount of such allowed claim, of a value, as of the effective date, of  
12 at least the value of such holder’s interest in the estate’s interest in such  
13 property; (B) for the sale, subject to Section 363(k) of the Bankruptcy  
14 Code, of any property that is subject to the liens securing such claim,  
15 free and clear of such liens, with such liens to attach to the proceeds of  
16 such sale, and the treatment of such liens on proceeds under clauses  
17 (A) and (C); or (C) the realization by such holder of the “indubitable  
18 equivalent” of such claim.

19 (b) Unsecured Creditors. With respect to an unsecured  
20 claim, “fair and equitable” means that a plan provides that either (A)  
21 each impaired unsecured creditor receives or retains property of a  
22 value, as of the effective date, equal to the amount of its allowed claim;  
23 or (B) the holders of claims and equity interests that are junior to the  
24 claims of the dissenting class will not receive or retain any property  
25 under the plan.

26 (c) Equity Security Interest Holders. With respect to

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holders of equity interests, “fair and equitable” means that a plan provides that either (A) each holder will receive or retain under the plan property of a value, as of the effective date, equal to the greater of: (1) the fixed liquidation preference or redemption price, if any, of such interest; or (2) the value of such interest; or (B) the holders of equity interests that are junior to the non-accepting class will not receive any property under the plan.

The Plan Proponent believes that the Plan complies with the Claims priority established by the Bankruptcy Code and thus the “fair and equitable” test of the Bankruptcy Code (including the absolute priority rule) is met with respect to the Secured Creditors and the Equity Interest holders under the Plan.

**XI.**  
**ALTERNATIVES TO THE PLAN**

If the Plan is not confirmed, several different events could occur: (1) the Debtors or a third party could propose another plan providing for different treatment of certain Creditors; (2) CPF could move for relief from the automatic stay to allow it to foreclose its liens against their collateral, which may be granted by the Bankruptcy Court if an alternative plan is not confirmed in a reasonable period of time; or (3) the Bankruptcy Court (after appropriate notice and hearing) could dismiss the Bankruptcy Case or convert such to a case under Chapter 7 if an alternative plan is not confirmed in a reasonable period of time.

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**XII.**  
**RECOMMENDATION AND CONCLUSION**

CPF believes that the Plan provides the best available alternative for maximizing the recoveries that Creditors will receive from the Debtors' Assets. Therefore, CPF recommends that all Creditors, that are entitled to vote on the Plan, vote to accept the Plan.

DATED: April 7, 2017.

CPF VASEO ASSOCIATES, LLC

By:           /s/Robert Flaxman            
Name: Robert Flaxman  
Its: Authorized Representative

Prepared and submitted on behalf of CPF Vaseo Associates, LLC by:

GALLAGHER & KENNEDY, P.A.

By:           /s/Todd A. Burgess (019013)            
John R. Clemency, Esq.  
Todd A. Burgess, Esq.  
Lindsi M. Weber, Esq.  
2575 East Camelback Road  
Phoenix, Arizona 85016-9225  
Telephone: (602) 530-8000  
Facsimile: (602) 530-8500  
[john.clemency@gknet.com](mailto:john.clemency@gknet.com)  
[todd.burgess@gknet.com](mailto:todd.burgess@gknet.com)  
[lindsi.weber@gknet.com](mailto:lindsi.weber@gknet.com)

Attorneys for CPF Vaseo Associates, LLC

Gallagher & Kennedy, P.A.  
2575 East Camelback Road  
Phoenix, Arizona 85016-9225  
(602) 530-8000

**EXHIBIT A**  
**(Joint Plan of Reorganization)**

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1 **GALLAGHER & KENNEDY, P.A.**  
2 John R. Clemency, Esq. (Bar No. 009646)  
3 Todd A. Burgess, Esq. (Bar No. 019013)  
4 Lindsi M. Weber, Esq. (Bar No. 025820)  
5 2575 East Camelback Road  
6 Phoenix, Arizona 85016-9225  
7 Telephone: (602) 530-8000  
8 Facsimile: (602) 530-8500  
9 [john.clemency@gknet.com](mailto:john.clemency@gknet.com)  
10 [todd.burgess@gknet.com](mailto:todd.burgess@gknet.com)  
11 [lindsi.weber@gknet.com](mailto:lindsi.weber@gknet.com)

12 Attorneys for CPF VASEO ASSOCIATES, LLC

13 **IN THE UNITED STATES BANKRUPTCY COURT**  
14 **FOR THE DISTRICT OF ARIZONA**

15 In re:

16 EPICENTER PARTNERS L.L.C.

17 GRAY MEYER FANNIN L.L.C.

18 SONORAN DESERT LAND INVESTORS LLC

19 EAST OF EPICENTER LLC

20 GRAY PHOENIX DESERT RIDGE II, LLC

21 Debtors.

Chapter 11

Case No. 2:16-bk-05493-MCW

Jointly Administered with:

Case No. 2:16-bk-05494-MCW

Case No. 2:16-bk-07659-MCW

Case No. 2:16-bk-07660-MCW

Case No. 2:16-bk-07661-MCW

22 **THIRD AMENDED JOINT PLAN OF REORGANIZATION FOR ALL DEBTORS**

23 This Third Amended Joint Plan of Reorganization for all Debtors (as amended, the  
24 “Plan”) is filed by CPF Vaseo Associates, LLC (“CPF” or “Plan Proponent”), a secured  
25 creditor and party-in-interest in the above captioned chapter 11 cases of Epicenter Partners,  
26 LLC (“EP”), Gray Meyer Fannin, LLC (“GMF”), Sonoran Desert Land Investors, LLC  
27 (“SDLI”), East of Epicenter, LLC (“EoE”) and Gray Phoenix Desert Ridge II, LLC (“GPDR  
28 II” and together with EP, GMF, SDLI, and EoE, the “Debtors”). Sent to you in the same  
29 envelope as this document is the Disclosure Statement in Support of Third Amended Joint  
30 Plan of Reorganization for all Debtors (the “Disclosure Statement”), which has been

1 approved by the Bankruptcy Court and is provided to help you understand the Plan. The  
2 Plan provides for the reorganization of the Debtors supported by significant Plan  
3 Contributions by CPF. The Effective Date of the Plan is defined herein.

4 **ARTICLE 1. DEFINITIONS.**

5 Except as otherwise provided in this Plan, all terms used herein shall have the  
6 meanings attributable to such terms under title 11 of the United States Code, 11 U.S.C.  
7 §§ 101 *et seq.*, as amended (the “Bankruptcy Code”), the applicable Federal Rules of  
8 Bankruptcy Procedure and the Local Bankruptcy Rules for the District of Arizona (the  
9 “Local Bankruptcy Rules”). For purposes of this Plan, except as expressly otherwise  
10 provided or unless the context otherwise requires, all capitalized terms not otherwise  
11 defined shall have the meanings assigned to them in this Section of the Plan. In all  
12 references herein to any parties, persons, entities, or corporations, the use of any particular  
13 gender or the plural or singular number is intended to include the appropriate gender or  
14 number as the text may require. Whenever the word “including” is used, it shall be deemed  
15 to be followed by the phrase “but not limited to,” whether or not such phrase appears in the  
16 text.

17 1.1 20 Acre Lease shall refer to and mean the Arizona State Land Department  
18 Commercial Lease No. 003-116780-99 between GPDR II and ASLD, as amended, pursuant  
19 to which GPDR II leases the 20 Acre Parcel from ASLD. The 20 Acre Lease shall be  
20 deemed assumed in accordance with the provisions of 11 U.S.C. § 365, as of the Effective  
21 Date.

22 1.2 20 Acre Parcel shall refer to and mean the approximately 20 acres of real  
23 property of Parcel 5A of the DRSP located near the northwest corner of 56<sup>th</sup> Street and State  
24 Route 101 in Phoenix, AZ leased by GPDR II from the ASLD, including any and all related  
25 real property rights held by GPDR II with respect to the 20 Acre Property.

1           1.3    20 Acre Personal Property shall refer to and mean all Plans and  
2 Specifications, as that term is defined in the Assignment of Plans, Specifications and  
3 Contracts recorded as Instrument No. 20140812398 in the Official Records of Maricopa  
4 County, Arizona, and all other documents and personal property of every kind and nature  
5 related to the ownership, management, and development of the 20 Acre Parcel.

6           1.4    20 Acre Rent Extension Letter shall refer to and mean the letter dated May  
7 30, 2014 from the State Land Commissioner to GPDR II granting GPDR II an extension of  
8 time through July 7, 2017 to pay rent and other payments due under the 20 Acre Lease  
9 attributable to the period of time from July 7, 2013 through July 6, 2017.

10          1.5    26.1 Acre 2-H Parcel shall refer to and mean approximately 26.1 acres of real  
11 property located in Desert Ridge Parcel 2-H, owned by EoE, subject to the EoE Certificate  
12 of Purchase.

13          1.6    96.5 Acre Lease shall refer to and mean the Arizona State Land Department  
14 Commercial Lease No. 003-052415-99, as amended or modified, pursuant to which EP and  
15 GMF lease the 96.5 Acre Parcels from ASLD. The 96.5 Acre Lease shall be deemed  
16 assumed in accordance with the provisions of 11 U.S.C. § 365, as of the Effective Date.

17          1.7    96.5 Acre Parcels shall refer to and mean the approximately 96.5 acres of real  
18 property leased by EP and GMF from ASLD pursuant to the 96.5 Acre Lease, including  
19 any and all real property rights held by EP and/or GMF relating to the 96.5 Acre Parcels,  
20 including, but not limited to all rights of EP and GMF as Master Developer and Declarant  
21 described in the Assignment of Rights as Master Developer and Declarant, recorded on May  
22 8, 2013 as Instrument 20130421834 in the Official Records of Maricopa County, Arizona.

23          1.8    96.5 Acre Personal Property shall refer to and mean all plans, contracts,  
24 specifications, studies, and other documents and personal property of every kind and nature  
25 related to the ownership, management, and development of the 96.5 Acre Parcel.

1           1.9    96.5 Acre Rent Extension Letter shall refer to and mean the letter dated May  
2 30, 2014 from the State Land Commissioner to EP and GMF granting EP and GMF an  
3 extension of time through July 7, 2017 to pay rent and other payments due under the  
4 96.5Acre Lease attributable to the period of time from July 7, 2012 through July 6, 2017.

5           1.10   Administrative Expense shall mean any cost or expense of administration of  
6 the Debtors' chapter 11 cases allowable under Section 503(b) and Section 507(a) of the  
7 Bankruptcy Code, including, without limitation, any actual and necessary expenses of  
8 preserving the estates of the Debtors, any actual and necessary expense of operating the  
9 businesses of the Debtors, any indebtedness or obligation incurred or assumed by the  
10 Debtors in connection with the conduct of the business or for the acquisition or lease of  
11 property or the rendition of services to the Debtors, all allowances of compensation and  
12 reimbursement of expenses of Professional Persons, including Professional Fee Claims, and  
13 any fees or charges assessed against the estates of the Debtors under Chapter 123 of Title  
14 28 of the United States Code.

15           1.11   Affiliates shall have the meaning set forth in Section 101(2) of the Bankruptcy  
16 Code.

17           1.12   Allowed when used as an adjective preceding the words "Claim" or "Claims"  
18 shall mean (a) any Claim against the Debtors that has been listed by the Debtors in their  
19 Schedules as liquidated in amount and not disputed or contingent and for which no contrary  
20 proof of claim has been filed, and any other Claim against the Debtors for which a proof of  
21 claim has been filed by the applicable Bar Date, in each case as to which no objection to  
22 the allowance thereof has been interposed with the applicable period of limitations fixed by  
23 the Plan, the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, or the Local  
24 Rules, or as to which any objection has been interposed timely and such Claim has been  
25 allowed in whole or in part by a Final Order (but only to the extent so allowed), and (b) any  
26 Claim allowed hereunder. Subject to rights of Secured Creditors under Bankruptcy Code §

1 506(b), if any, unless otherwise specified in the Plan, “Allowed Claim” shall not, for  
2 purposes of computation of distributions under the Plan, include interest on the amount of  
3 such Claim from and after the applicable Debtor’s Petition Date.

4 1.13 ASLD shall refer to and mean the Arizona State Land Department.

5 1.14 ASLD Settlement Agreement shall refer to and mean the Settlement  
6 Agreement, dated as of May 30, 2014, between Epicenter Partners, LLC, East of Epicenter,  
7 LLC, the State of Arizona, acting by and through the Arizona State Land Department and  
8 Vanessa Hickman, the Arizona State Land Commissioner.

9 1.15 Assets shall mean the aggregate assets of any kind of the Debtors and their  
10 Estates, wherever located.

11 1.16 Avoidance Actions shall refer to and mean, with respect to each Debtor, all  
12 Claims and/or causes of action of the Debtor or its Estate under Sections 543, 544, 545,  
13 546, 547, 548, 549, 550, et seq. of the Bankruptcy Code, or under related state or federal  
14 statutes and common law, including but not limited to fraudulent transfer laws, whether or  
15 not litigation is commenced to prosecute such Avoidance Actions, including but not limited  
16 to all potential causes of action identified in Sections 3(b) and (c) of each Debtor's Statement  
17 of Financial Affairs filed in the Case.

18 1.17 Ballot shall mean the form(s) distributed to creditors holding claims in an  
19 impaired Class, or holders of interests in an impaired Class, on which is to be indicated the  
20 acceptance or rejection of the Plan.

21 1.18 Bankruptcy Code or Code shall mean the Bankruptcy Reform Act of 1978  
22 (11 U.S.C. Sections 101, et seq.), as amended, and as codified in Title 11 of the United  
23 States Code.

24 1.19 Bankruptcy Court shall mean the United States Bankruptcy Court for the  
25 District of Arizona having jurisdiction over the Debtors’ chapter 11 cases and, to the extent  
26

1 of any reference made pursuant to 28 U.S.C. Section 158, the unit of such District Court  
2 constituted pursuant to 28 U.S.C. Section 151.

3 1.20 Bankruptcy Rules shall mean the rules and forms of practice and procedure  
4 in bankruptcy, promulgated under 11 U.S.C. Section 2075 and also referred to as the Federal  
5 Rules of Bankruptcy Procedure.

6 1.21 Bar Date shall mean October 20, 2016, the date established by the Bankruptcy  
7 Court by which all proofs of claim must be filed, in accordance with the *ORDER Granting*  
8 *Motion to Set Last Day to File Proofs of Claim* [Dkt. 154].

9 1.22 Blue Sky Property shall mean the approximately 3.74 acres of real property  
10 owned by SDLI located northeast of the intersection of Scottsdale Rd. and Camelback Rd.

11 1.23 Business Day shall mean and refer to any day except Saturday, Sunday, and  
12 any other days on which commercial banks in Arizona are authorized by law to close.

13 1.24 Cash shall mean legal tender of the United States of America or equivalents  
14 thereof, as well as any and all foreign currencies.

15 1.25 Case shall mean, as to any Debtor, such Debtor's case under Chapter 11 of  
16 the Bankruptcy Code currently pending before the Bankruptcy Court. "Cases," shall, unless  
17 the context otherwise requires, mean collectively each Case filed by each Debtor.

18 1.26 Claim shall mean a claim against any of the Debtors as defined in Section  
19 101(5) of the Bankruptcy Code; including but not limited to any right to payment from the  
20 Debtors whether or not such right is reduced to judgment, liquidated, unliquidated, fixed,  
21 contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, or  
22 unsecured; or any right to an equitable remedy for breach of performance if such breach  
23 gives rise to a right of payment from the Debtors whether or not such right to an equitable  
24 remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed,  
25 undisputed, secured, or unsecured.

26 1.27 Claimant shall mean the holder of a Claim.

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1           1.28 Class shall mean a class of holders of Claims or Equity Security Interests  
2 described in Article III of the Plan.

3           1.29 Collateral means any property or interest in property of an Estate of any  
4 Debtor, subject to a Lien to secure the payment of a Claim, which Lien is not subject to  
5 avoidance or otherwise invalid and unenforceable under the Bankruptcy Code or applicable  
6 non-bankruptcy law.

7           1.30 Commercial Core Declaration shall refer to and mean the Declaration of  
8 Covenants, Conditions, Restrictions and Easements for Desert Ridge Commercial Core,  
9 dated July 20, 2000, and recorded on July 21, 2000 in the Official Records of Maricopa  
10 County, Arizona as Instrument 2000-0555236, as the same may have been or may be  
11 amended or modified from time to time.

12           1.31 Committee shall mean the statutory committee of unsecured creditors  
13 appointed in the EP and GMF Cases pursuant to Bankruptcy Code § 1102.

14           1.32 Confirmation shall mean the entry of the Confirmation Order.

15           1.33 Confirmation Date shall mean the date upon which the clerk of the  
16 Bankruptcy Court enters the Confirmation Order on the docket of the Bankruptcy Court.

17           1.34 Confirmation Hearing shall mean a hearing conducted before the Bankruptcy  
18 Court for the purpose of considering confirmation of the Plan, as such hearing may be  
19 adjourned or continued from time to time.

20           1.35 Confirmation Order shall mean an Order of the Bankruptcy Court confirming  
21 the Plan pursuant to Section 1129 of the Bankruptcy Code.

22           1.36 CPF shall refer to and mean CPF Vaseo Associates, LLC.

23           1.37 CPF Plan Contribution shall refer to and mean cash contributed by CPF on or  
24 after the Effective Date sufficient to: (i) pay the Allowed amounts of all Allowed  
25 Administrative Claims, Allowed Professional Fee Claims, Allowed Priority Claims,  
26 Allowed Secured Tax Claims, and the Allowed DRCA Class 7 Secured Claim in full in

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1 accordance with accordance the terms of the Plan; (ii) pay all deferred lease payments and  
2 future lease payments due to ASLD under the 96 Acre Lease and the 20 Acre Lease; (iii)  
3 fund the Unsecured Creditor Dividend Fund; and (iv) fund post-Effective Date expenses of  
4 the Reorganized Debtors.

5 1.38 Creditor shall mean any person that has a Claim against the Debtors that arose  
6 on or before the Petition Date or a Claim against the Estates of any kind specified in Section  
7 502(g), 502(h) or 502(i) of the Bankruptcy Code.

8 1.39 Creditor Disbursing Agent shall mean the Person identified by the Committee  
9 in the Confirmation Order to serve as the agent of the Post-Effective Date Committee for  
10 the purposes of holding and disbursing the Unsecured Creditor Dividend Fund and  
11 performing such other duties as may be delegated to such Person by the Post-Effective Date  
12 Committee.

13 1.40 Debtors shall mean EP, GMF, SDLI, EoE and GPDR II. With respect to any  
14 period of time after the Effective Date, the term Debtors, as used herein shall mean and  
15 include the Debtors as reorganized under and in accordance with the confirmed Plan.

16 1.41 Document shall mean refers to and includes the originals (or copies if the  
17 originals are unavailable to you), and all non-identical copies, whether different from the  
18 originals by reason of any notation made on such copies or otherwise, of every writing of  
19 every type of description, and every other thing constituting any medium by which, through  
20 which, or on which any type of communication or knowledge has been transmitted,  
21 recorded, or preserved, whether printed, handwritten, recorded or graphic matter, computer  
22 records, photographic matter, or sound reproductions, wherever produced or recorded,  
23 whether claimed to be exempt from production pursuant to a properly asserted privilege or  
24 for any other reason, with this definition including, for illustrative purposes and without  
25 limitation, all of the following:

26 1.41.1 correspondence, memoranda, notes, diaries, statistics, letters,

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1 telegrams, minutes, contracts, reports, studies, check statements, check stubs, bank  
2 statements, memoranda, pamphlets, reports, surveys, studies, analyses, tabulations,  
3 graphs, logs, statements, receipts, returns, summaries, pamphlets, books, inter-office  
4 or intraoffice communications, telephone message slips, offers, notations of  
5 conversations, bulletins, drawings, plans, computer printouts, teletypes, telefaxes,  
6 invoices, worksheets, ledger books, books of account, reports and/or summaries of  
7 investigations, opinions and/or reports of consultants, appraisals and/or other  
8 valuation estimates of any kind, and all drafts, alterations, modifications, changes  
9 and amendments of any of the foregoing;

10 1.41.2 all graphic or aural records and representations of any kind, including  
11 without limitation photographs, charts, graphs, microfiche, microfilm, videotape  
12 recordings, motion pictures and electronic, mechanical or electrical records,  
13 cassettes, disks, or recordings of any kind; and (iii) electronic mail  
14 communications, computer disks and diskettes, computer input or output, computer  
15 hard drive files, computer back-up tapes, zip drive files, recorded information,  
16 electromagnetic tapes used for preserving and backing up computer systems, data  
17 and information located in computer systems, on computer networks, and  
18 information in whatever other form stored or utilized by you on computer systems,  
19 or stored for you by a third party.

20 1.42 DRCA shall mean the Desert Ridge Community Association, established  
21 under the Declaration of Covenants, Conditions, Restrictions, and Easements for Desert  
22 Ridge, as amended.

23 1.43 DR Property shall refer to and mean the 20 Acre Lease, the 20 Acre Personal  
24 Property, the 96.5 Acre Lease, the 96.5 Acre Personal Property, and all related real property  
25 and personal property rights, including, but not limited to the Master Developer Rights, the  
26 Master Declarant Rights, and the Property Development Agreement.

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1           1.44 DRSP shall refer to and mean the Desert Ridge Specific Plan currently in  
2 effect with respect to the Desert Ridge Master Planned Community, as the same may be  
3 amended in accordance with applicable State law.

4           1.45 Disallowed Claim shall mean a Claim or portion thereof that: (i) has been  
5 disallowed by a Final Order; (ii) is listed in any of the Debtors' Schedules in an amount of  
6 zero dollars or as contingent, unliquidated, or disputed and as to which a proof of claim was  
7 not filed by the Bar Date; or (iii) is not identified in the Debtors' schedules and as to which  
8 no proof of claim has been filed or been deemed filed by the Bar Date.

9           1.46 Disclosure Statement shall mean and refer to the disclosure statement filed by  
10 CPF as required pursuant to Section 1125 of the Bankruptcy Code, as the same may be  
11 amended from time to time by the Debtors.

12           1.47 Disputed Claim shall mean any Claim that is not an Allowed Claim or a  
13 Disallowed Claim and that has not been barred or otherwise disallowed or paid or otherwise  
14 satisfied. In the event that any part of a Claim is a Disputed Claim, such Claim in its entirety  
15 shall be deemed to constitute a Disputed Claim for purposes of distribution under the Plan  
16 unless the Debtors and the holder thereof agree otherwise; provided, however, nothing in  
17 this definition is intended to or does impair the rights of any holder of a Disputed Claim to  
18 pursue its rights under Section 502(c) of the Bankruptcy Code. Without limiting any of the  
19 foregoing, but subject to the provisions of the Plan, a Claim, including a Claim listed on  
20 any of the Debtors' Schedules, that is the subject of a pending application, motion,  
21 complaint, objection or any other legal proceeding commenced or filed by the Debtors or  
22 CPF seeking to disallow, limit, subordinate or estimate such Claim shall be deemed to  
23 constitute a Disputed Claim.

24           1.48 Effective Date shall mean the earlier of (a) first Business Day after the  
25 Confirmation Order becomes a Final Order; and (b) if an appeal or other challenge to the  
26 Confirmation Order has been taken or may timely be taken, but such order remains in full

1 force and effect and has not been stayed, and CPF waives the condition “to the Effective  
2 Date” in Section 15.1, the date designated in a writing filed by CPF in the Cases, whether  
3 or not the Confirmation Order has become a Final Order.

4 1.49 EoE shall mean East of Epicenter, LLC, a debtor herein.

5 1.50 EoE Certificate of Purchase shall refer to and mean that certain Certificate of  
6 Purchase No. 53-110227, as amended, pursuant to which ASLD sold the 26.1 Acre 2-H  
7 Parcel to EoE, subject to EoE’s obligation to make certain deferred payments of the  
8 purchase price to ASLD.

9 1.51 Emerald Equities shall mean Emerald Equities, LLC, the entity that filed  
10 Claim 4-1 against SDLI and Claim 14-1 against EP.

11 1.52 Emerald Equities Letter Agreement shall mean that certain letter agreement,  
12 dated April 26, 2011, executed by Emerald Equities, SDLI, and Scottsdale Renaissance,  
13 L.L.C. and attached as Exhibit 1 to the Emerald Equities Claim 4-1 filed against SDLI.

14 1.53 Entity shall have the meaning set forth in Section 101(15) of the Bankruptcy  
15 Code.

16 1.54 EP shall mean Epicenter Partners, L.L.C., a debtor herein.

17 1.55 Equity Security shall have the meaning set forth in Section 101(16) of the  
18 Bankruptcy Code and “Equity Security Holder” shall have the meaning set forth in Section  
19 101(17) of the Bankruptcy Code.

20 1.56 Equity Security Interest means the interest of an Equity Security Holder in  
21 the applicable Debtor.

22 1.57 GBSRP I shall mean Gray Blue Sky Scottsdale Residential Phase I, LLC, an  
23 Arizona limited liability company 100% owned by SDLI and the current owner of  
24 approximately .55 acres adjacent to the Blue Sky Property.

25 1.58 GBSRP I Property shall refer to and mean the approximately .55 acres of real  
26 property located adjacent to the Blue Sky Property owned by GBSRP I.

1           1.59 Estate shall mean the estate of the applicable Debtor created in accordance  
2 with Section 541 of the Bankruptcy Code.

3           1.60 Estate Claims shall mean, with respect to each Debtor, any and all claims,  
4 actions, causes of action, liabilities, obligations, rights, damages, judgments, demands,  
5 defenses, suits, choses in action and all other rights and remedies of the Debtor and its  
6 Estate, for or on behalf of Creditors and/or the Debtor and/or the Estate, including but not  
7 limited to any and all claims and/or causes of action by the Estate and/or the Debtor, against  
8 any and all Creditors, Governmental Units, or other Persons, including but not limited to any  
9 and all claims any of the Debtors may have against their respective current or former officers,  
10 directors, managers, members, employees, consultants, attorneys, and other professionals, of  
11 every kind or nature, whether known or unknown, suspected or unsuspected, whether  
12 arising before, on or after the Petition Date, in contract or in tort, at law or in equity, and  
13 whether or not brought as of the Effective Date, including but not limited to those for (i)  
14 damages, (ii) the recovery of monies, (iii) lien avoidance, subordination, surcharge,  
15 recharacterization, setoff, counterclaim, contribution or recoupment, (iv) tax refunds, (v)  
16 claims and defenses such as fraud, mistake, duress and usury, (vi) injunctive, equitable or  
17 other relief, and (vii) all Avoidance Actions of the Estate.

18           1.61 Executory Contract and Unexpired Lease or Executory Contract or Unexpired  
19 Lease shall mean a contract or lease to which a Debtor is a party that is subject to assumption  
20 or rejection under Section 365 of the Bankruptcy Code.

21           1.62 Final Order shall mean an order or judgment of the Bankruptcy Court or other  
22 court of competent jurisdiction as entered on the docket that (a) is not stayed, (b) has not  
23 been reversed, modified or amended, and (c) as to which the time to appeal, petition for  
24 certiorari, or seek reargument, review, reconsideration, rehearing or leave to appeal  
25 (excluding the time to move for relief from a final order or judgment under Rule 60(b) of  
26 the Federal Rules of Civil Procedure and the time to request revocation of an order of

1 confirmation under Section 1144 of the Bankruptcy Code) has expired and as to which no  
2 appeal, petition for certiorari or other proceeding for reargument, review, reconsideration,  
3 rehearing or leave to appeal (including a motion for relief from a final order or judgment  
4 under said Rule 60(b) or a request for revocation of an order of confirmation under said  
5 Section 1144) or as to which any right to appeal, petition for certiorari or seek reargument,  
6 review, reconsideration, rehearing or leave to appeal has been waived in writing, or, if any  
7 appeal, petition for certiorari, or other proceeding for reargument, review, reconsideration,  
8 rehearing or leave to appeal has been sought, the order or judgment of the Bankruptcy Court  
9 has been affirmed by the highest court to which the order or judgment was appealed or from  
10 which the reargument or rehearing was sought, or certiorari has been denied, and the time  
11 to take any further appeal, petition for certiorari or seek further reargument, review  
12 reconsideration, rehearing or leave to appeal (excluding the time to move for relief from a  
13 final order or judgment under said Rule 60(b) and the time to request revocation of an order  
14 of confirmation under said Section 1144) has expired.

15 1.63 Ganymede shall refer to and mean Ganymede Investments Limited, a  
16 company organized under the laws of Guernsey.

17 1.64 Ganymede Adversary shall refer to and mean Adversary No. 16-ap-00334-  
18 MCW commenced by EP and GMF against CPF, including, but not limited to, the First  
19 Amended Complaint filed at Dkt. 59 in Adversary No. 16-ap-00334-MCW.

20 1.65 Ganymede Claims shall refer to and mean all claims and causes of action  
21 alleged, or that could have been alleged, in the Ganymede Adversary against CPF, its  
22 successors, assigns, and Representatives.

23 1.66 GMF shall mean Gray Meyer Fannin, LLC, a debtor herein.

24 1.67 GPDR II shall mean Gray Phoenix Desert Ridge II, LLC, a debtor herein.

25 1.68 Governmental Unit shall have the meaning set forth in Section 101(27) of the  
26 Bankruptcy Code.

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1           1.69 Impaired when used as an adjective preceding the words “Class of Claims”  
2 or “Class of Equity Security Interests,” shall mean that the Plan alters the legal, equitable,  
3 or contractual rights of the Claims or Equity Security Interests in that Class, other than in a  
4 manner that comports with Section 1124(2) of the Bankruptcy Code.

5           1.70 Insider shall have the meaning set forth in Section 101(31) of the Bankruptcy  
6 Code.

7           1.71 Insider Unsecured Claim shall mean any Unsecured Claim against the Debtor  
8 arising from a transaction with a person or entity that is an affiliate or insider of any of the  
9 Debtors or Bruce Gray.

10          1.72 IRS shall mean the Internal Revenue Service, Department of the Treasury of  
11 the United States of America.

12          1.73 Lien shall have the meaning assigned to such term in Section 101(37) of the  
13 Bankruptcy Code.

14          1.74 Lien Avoidance Adversary shall refer to and mean Adversary No. 16-ap-  
15 00395-MCW commenced by EP and GMF against CPF, including, but not limited to the  
16 Complaint filed therein.

17          1.75 Lien Avoidance Claims shall refer to and mean all claims and causes of action  
18 alleged, or that could have been alleged, in the Lien Avoidance Action against CPF, its  
19 successors, assigns, and Representatives.

20          1.76 LKY Parcels shall refer to and mean the real property that is the subject of  
21 ASLD Lease 03-116824-99 and ASLD Lease 03-116825-99.

22          1.77 Master CC&Rs shall refer to and mean the Declaration of Covenants,  
23 Conditions, Restrictions and Easements for Desert Ridge, Phoenix, Arizona, recorded on  
24 February 7, 1994 in the Official Records of Maricopa County, Arizona as Instrument No.  
25 94-0106341, as the same may have been or may be amended or modified from time to time.  
26



1           1.78 Master Developer Rights shall refer to and mean those rights currently held  
2 by EP and GMF under the 96.5 Acre Lease, as well as under all recorded covenants,  
3 conditions and restrictions relating to the 96.5 Acre Parcels and otherwise under the DRSP,  
4 as the same may have been or may be amended or modified from time to time.

5           1.79 Master Declarant Rights shall refer to and mean the rights of the Declarant  
6 under the Commercial Core Declaration, as the same may have been or may be amended or  
7 modified from time to time.

8           1.80 Non-Insider Unsecured Claim shall mean any Unsecured Claim against the  
9 Debtor arising from a transaction with a person or entity that is not an affiliate or insider of  
10 any of the Debtors or Bruce Gray.

11           1.81 Person shall have the meaning set forth in Section 101(41) of the Bankruptcy  
12 Code.

13           1.82 Petition Date shall mean May 16, 2016 with respect to EP and GMF, and shall  
14 mean July 6, 2016 with respect to GPDR II.

15           1.83 Plan shall mean this plan of reorganization, including, without limitation, the  
16 exhibits and schedules hereto, as the same may be amended, supplemented or modified  
17 from time to time in accordance with the provisions of the Bankruptcy Code and the terms  
18 hereof.

19           1.84 Post-Effective Date Committee shall refer to and mean a committee of not  
20 less than 3 different holders of Non-Insider Unsecured Claims against one or more of the  
21 Debtors in the Cases, to be identified by the Committee in the Confirmation Order. The  
22 Post-Effective Date Committee will be vested solely with the exclusive rights and standing  
23 to object to and administer Unsecured Claims (with the exception of the Class 7 Emerald  
24 Equities Claim, which shall be administered and paid by the Reorganized Debtors from a  
25 source other than the Unsecured Creditor Dividend Fund), including the right to object to  
26 the allowance of Unsecured Claims, settle Disputed Claims, hold and administer the

1 Unsecured Creditor Dividend Fund, and approve interim and final distributions from the  
2 Unsecured Creditor Dividend Fund. The Post-Effective Date Committee will not be vested  
3 with any avoidance powers or other powers under Section 544 – 551 of the Bankruptcy  
4 Code or the rights or standing to commence any actions or proceedings not directly related  
5 to the administration of and distributions on Unsecured Claims. To the extent that any  
6 Debtor has an affirmative Claim or counter-Claim against any Unsecured Creditor that  
7 procedurally must be raised in conjunction with (and in the same proceeding as) a Claim  
8 objection filed with respect to any Unsecured Claim, the Post-Effective Date Committee  
9 will be deemed to have consented to the intervention of or joinder of the applicable  
10 Reorganized Debtor for the purpose of pursuing any such affirmative Claim or counter-  
11 Claim. The Post-Effective Date Committee shall be authorized to delegate some or all of  
12 its duties under the Plan to the Creditor Disbursing Agent. The Creditor Disbursing Agent,  
13 and the terms of its retention, shall be disclosed by the Committee in the Confirmation  
14 Order. All fees and expenses of the Post-Effective Date Committee and the Creditor  
15 Disbursing Agent shall be paid from the Unsecured Creditor Dividend Fund (including all  
16 professional fees and expenses incurred after the Effective Date). Any dispute regarding  
17 the limited rights, powers, or duties of the Post-Effective Date Committee shall be resolved  
18 by the Bankruptcy Court.

19 1.85 Priority Claims shall mean “Priority Tax Claims” and “Priority Non-Tax  
20 Claims” in the aggregate, and shall mean any claim to the extent entitled to priority in  
21 payment under Section 507 (3), (4), (5), (6), (7) or (8) of the Bankruptcy Code.

22 1.86 Priority Non-Tax Claims shall mean Priority Claims other than Priority  
23 Claims entitled to priority treatment as a tax under Section 507(a)(8) of the Bankruptcy  
24 Code.

25 1.87 Priority Tax Creditor shall mean a Creditor holding a Priority Tax Claim.  
26

1           1.88 Priority Tax Claim shall mean any Claim entitled to priority in payment under  
2 Section 507(a)(8) of the Bankruptcy Code, but only to the extent it is entitled to priority  
3 under such subsection.

4           1.89 Professional Persons shall mean any professional employed in the Chapter 11  
5 Case pursuant to Section 327 or Section 1103 of the Bankruptcy Code, or any professional  
6 or other entity seeking compensation or reimbursement of expenses in connection with the  
7 Case pursuant to Sections 503(b)(3)(F) and (b)(4) of the Bankruptcy Code.

8           1.90 Professional Fee Claim shall mean any claim by a Professional Person as  
9 provided for in Sections 327, 328, 330, 503(b) and 1103 of the Bankruptcy Code.

10           1.91 Property Development Agreement shall refer to and mean the Property  
11 Development Agreement, dated July 3, 2012, between EP, GMF, Bruce W. Gray, and City  
12 North HH, Inc.

13           1.92 Pro Rata shall mean, with respect to an amount of Cash to be paid or  
14 distributed to a Creditor with respect to an Allowed Claim on a particular date (a) within  
15 the same Class, the proportion that an Allowed Claim in the Class bears to the sum of all  
16 Allowed Claims and Disputed Claims within such Class, and (b) among different Classes  
17 to which Cash is to be distributed pro rata, the proportion that a Class of Allowed Claims  
18 bears to the sum of all Allowed Claims and Disputed Claims in the applicable Classes.

19           1.93 Reorganized Debtors shall mean the Debtors as reorganized under and in  
20 accordance with the confirmed Plan from and after the Effective Date.

21           1.94 Representative shall mean, with respect to any entity, any officer, director,  
22 affiliate, manager, member, subsidiary, attorney, advisor, investment banker, financial  
23 advisor, accountant or other professional of such entity, in each case in such capacity,  
24 together with each of their successors and assigns.

25           1.95 SDLI shall mean Sonoran Desert Land Investors, LLC, a debtor herein.  
26

1           1.96 Schedules means the schedules of assets and liabilities, schedules of current  
2 income and current expenditures and the statements of financial affairs filed by the Debtors  
3 as required by the Bankruptcy Code and Bankruptcy Rules, including any supplements or  
4 amendments thereto through the Confirmation Date

5           1.97 Secured Claim shall mean a Claim (a) which is secured by a Lien on Collateral  
6 to the extent of the value of such Collateral, as determined in accordance with Section  
7 506(a) of the Bankruptcy Code or (b) that is subject to a valid right of setoff pursuant to  
8 Section 553 of the Bankruptcy Code. In accordance with Section 506(a) of the Bankruptcy  
9 Code, Secured Claim specifically excludes that portion of a Claim of a holder of a Lien  
10 against the property of the Debtor to the extent that the value of such holder's interest in the  
11 property is less than the amount of such Claim. To the extent of any deficiency in the value  
12 of the interest of the holder of such Secured Claim in such property, such deficiency is an  
13 Unsecured Claim, unless otherwise provided for by order of the Bankruptcy Court.

14           1.98 STB shall refer to and mean the law firm of Simpson Thatcher & Bartlett  
15 LLP.

16           1.99 Subordinated Claim shall mean all claims described in Section 510 of the  
17 Bankruptcy Code or claims which are otherwise subordinated pursuant to an Order of the  
18 Bankruptcy Court.

19           1.100 Unsecured Claim shall mean any Claim against the Debtors which arose or  
20 which is deemed by the Bankruptcy Code to have arisen before the Petition Date for the  
21 Debtors, and which is not (i) a secured claim pursuant to Section 506 of the Bankruptcy  
22 Code, as modified by Section 1111(b) of the Bankruptcy Code, or (ii) a Claim entitled to  
23 priority under Sections 503 or 507 of the Bankruptcy Code. "Unsecured Claims" shall  
24 include all Claims against the Debtors that are not expressly otherwise dealt with in the  
25 Plan.

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1           1.101 Unsecured Creditor Dividend Fund shall mean a fund in the amount of  
2 \$2,200,000 created by the Plan Proponent on the Effective Date to make Pro Rata  
3 distributions to holders of Allowed Non-Insider Unsecured Claims (and potentially holders  
4 of Allowed Insider Unsecured Claims, subject to Sections 6.4 and 6.5 of the Plan) to be  
5 administered by the Creditor Disbursing Agent under the supervision of the Post-Effective  
6 Date Committee in accordance with the terms of the Plan.

7           1.102 Voting Class shall mean a Class of Claims under the Plan which is impaired  
8 and entitled to vote to accept or reject the Plan.

9 **ARTICLE 2. INTERPRETATION, RULES OF CONSTRUCTION, AND OTHER**  
10 **TERMS.**

11           2.1 Any term used in this Plan that is not defined herein, whether in Article I or  
12 elsewhere, but that is used in the Bankruptcy Code or the Bankruptcy Rules, has the  
13 meaning assigned to that term in the Bankruptcy Code or the Bankruptcy Rules and shall  
14 be construed in accordance with the rules of construction used in the Bankruptcy Code.

15           2.2 The words “herein,” “hereto,” “hereunder,” and others of similar importance,  
16 refer to the Plan as a whole and not to any particular article or clause contained in this Plan.

17           2.3 Unless specified otherwise in a particular reference, a reference in this Plan  
18 to an article is a reference to that article of this Plan.

19           2.4 Unless otherwise provided for, any reference in this Plan to an existing  
20 document or instrument means such document or instrument as it may have been amended,  
21 modified, or supplemented from time to time.

22           2.5 For purposes of this Plan and such defined terms, the singular and plural uses  
23 of such defined terms and the conjunctive and disjunctive uses will be fungible and  
24 interchangeable (unless the context otherwise requires); and the defined terms will include  
25 masculine, feminine, and neuter genders.

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1           2.6    In addition to the foregoing, the rules of construction set forth in Section 102  
2 of the Bankruptcy Code shall apply to this Plan.

3           2.7    In computing any period of time prescribed or allowed by this Plan, the  
4 provisions of Bankruptcy Rule 9006(a) shall apply.

5           2.8    Any exhibits or schedules to this Plan are incorporated into this Plan, and  
6 shall be deemed to be included in this Plan, regardless of when filed with the Bankruptcy  
7 Court.

8           2.9    Where Claims are divided into subclasses in this Plan, each subclass will be  
9 considered to be a separate class for all confirmation purposes, including treatment and  
10 voting on the Plan.

11 **ARTICLE 3. CLASSIFICATION OF CLAIMS AND INTERESTS.**

12           3.1    General Classification Provisions. For purposes of organization, voting, and  
13 all confirmation matters, except as otherwise provided herein, all Claims (except for  
14 Administrative Claims and Priority Tax Claims) and Equity Security Interests shall be  
15 classified as set forth in this Article III of the Plan. All Claims and Equity Security Interests  
16 are classified under the Plan as hereafter stated in this Article III; provided, however, that a  
17 Claim or Equity Security Interest will be deemed classified in a particular Class only to the  
18 extent that the Claim or Equity Security Interest qualifies within the description of that Class  
19 and will be deemed classified in a different Class to the extent that any remainder of the  
20 Claim or Equity Security Interest qualifies within the description of such different Class.  
21 As of the Confirmation Hearing, any Class of Claims or Equity Security Interest that does  
22 not contain any Creditor's Claim or an Equity Security Interest will be deemed deleted  
23 automatically from the Plan; and any Class of Claims or Equity Security Interest that does  
24 not contain an Allowed Claim (or a Claim temporarily or provisionally allowed by the  
25 Bankruptcy Court for voting purposes) or Equity Security Interest will be deemed  
26 automatically deleted from the Plan with respect to voting on confirmation of the Plan. A

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1 Claim or Equity Security Interest is in a particular Class only to the extent the Claim or  
2 Equity Security Interest is an Allowed Claim or Allowed Equity Security Interest as defined  
3 herein.

4 3.2 Classification of Claims and Equity Security Interests. The Plan classifies  
5 Claims and Equity Security Interests in various Classes according to their right to priority  
6 of payments as provided in the Bankruptcy Code. The Plan states whether each Class of  
7 Claims or Equity Security Interests are impaired or unimpaired. The Plan provides the  
8 treatment each Class will receive under the Plan. In accordance with the requirements of  
9 the Bankruptcy Code, Allowed Administrative Expense Claims and Priority Tax Claims are  
10 not set forth in Classes and are not entitled to vote on the Plan. The Allowed Claims against  
11 the Debtors' Estates are divided into the following classes:

12 3.2.1 Class 1 (Secured Tax Claims). Class 1 consists of any Secured Tax  
13 Claims filed by the Maricopa County Treasurer against the Debtors.

14 (a) Class 1.1 (Secured Tax Claims Against EP). Class 1.1 consists  
15 of any Secured Tax Claims filed against EP.

16 (b) Class 1.2 (Secured Tax Claims Against SDLI). Class 1.2  
17 consists of any Secured Tax Claims filed against SDLI.

18 (c) Class 1.3 (Secured Tax Claims Against EoE). Class 1.3  
19 consists of any Secured Tax Claims filed against EoE.

20 3.2.2 Class 2 (CPF Secured Claims). Class 2 consists of CPF's Secured  
21 Claims against the Debtors.

22 (a) Class 2.1 (CPF Secured Claims against EP and GMF). Class  
23 2.1 consists of CPF's Secured Claims against EP and GMF.

24 (b) Class 2.2 (CPF Secured Claim against GPDR II and SDLI).  
25 Class 2.2 consists of CPF's Secured Claims against GPDR II and SDLI.  
26

1 (c) Class 2.3 (CPF Secured Claim against EoE). Class 2.3 consists  
2 of CPF's Secured Claim against EoE.

3 3.2.3 Class 3 (DRCA Secured Claim). Class 3 consists of the Secured Claim  
4 of DRCA against EoE.

5 3.2.4 Class 4 (Non-Insider Unsecured Claims). Class 3 consists of any Non-  
6 Insider Unsecured Claims against the Debtors existing as of the Confirmation Date.

7 (a) Class 4.1 (EP Non-Insider Unsecured Claims). Class 4.1  
8 consists of all Non-Insider Unsecured Claims against EP.

9 (b) Class 4.2 (GMF Non-Insider Unsecured Claims). Class 4.2  
10 consists of all Non-Insider Unsecured Claims against GMF.

11 (c) Class 4.3 (SDLI Non-Insider Unsecured Claims). Class 4.3  
12 consists of all Non-Insider Unsecured Claims against SDLI.

13 (d) Class 4.4 (EoE Non-Insider Unsecured Claims). Class 4.4  
14 consists of all Non-Insider Unsecured Claims against EoE.

15 (e) Class 4.5 (GPDR II Non-Insider Unsecured Claims). Class 4.5  
16 consists of all Non-Insider Unsecured Claims against GPDR II.

17 3.2.5 Class 5 (Insider Unsecured Claims). Class 5 consists of any Insider  
18 Unsecured Claims against the Debtors existing as of the Confirmation Date.

19 (a) Class 5.1 (EP Insider Unsecured Claims). Class 5.1 consists of  
20 all Insider Unsecured Claims against EP.

21 (b) Class 5.2 (GMF Insider Unsecured Claims). Class 5.2 consists  
22 of all Insider Unsecured Claims against GMF.

23 (c) Class 5.3 (SDLI Insider Unsecured Claims). Class 5.3 consists  
24 of all Insider Unsecured Claims against SDLI.

25 (d) Class 5.4 (EoE Insider Unsecured Claims). Class 5.4 consists  
26 of all Insider Unsecured Claims against EoE.



1 (e) Class 5.5 (GPDR II Insider Unsecured Claims). Class 5.5  
2 consists of all Insider Unsecured Claims against GPDR II.

3 3.2.6 Class 6 (Equity Security Interests). Class 6 consists of the Equity  
4 Security Interests in each of the Debtors.

5 (a) Class 6.1 (EP Equity Security Interests). Class 6.1 consists of  
6 all Equity Security Interests in EP.

7 (b) Class 6.2 (GMF Equity Security Interests). Class 6.2 consists  
8 of all Equity Security Interests in GMF.

9 (c) Class 6.3 (SDLI Equity Security Interests). Class 6.3 consists  
10 of all Equity Security Interests in SDLI.

11 (d) Class 6.4 (EoE Equity Security Interests). Class 6.4 consists of  
12 all Equity Security Interests in EoE.

13 (e) Class 6.5 (GPDR II Equity Security Interests). Class 6.5  
14 consists of all Equity Security Interests in GPDR II.

15 3.2.7 Class 7 (Emerald Equities Claim). Class 7 consists of the Claim  
16 asserted by Emerald Equities against EP and SDLI.

17 **ARTICLE 4. IDENTIFICATION OF IMPAIRED AND UNIMPAIRED CLASSES.**

18 4.1 Allowed Administrative Expense Claims and Allowed Priority Tax Claims,  
19 are not classified under the Plan and are not entitled to vote on the Plan.

20 4.2 All other classes of Claims and Equity Security Interests are impaired by the  
21 Plan and therefore are entitled to vote to accept or reject the Plan, provided, however, that  
22 for the purposes of Section 1129(a)(10) of the Bankruptcy Code, such acceptance or  
23 rejection shall be determined without regard to votes cast by Insiders.

24 4.3 In the event of a controversy as to whether any Claimant or Class of Claimants  
25 is impaired under the Plan, the Bankruptcy Court shall, after notice and a hearing, resolve  
26 such controversy.

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1           4.4    The Debtors shall provide all Claimants entitled to vote with a form of Ballot  
2 approved by the Bankruptcy Court to be used in casting a vote on the Plan.

3   **ARTICLE 5. PROVISIONS FOR TREATMENT OF CLAIMS NOT IMPAIRED**  
4   **UNDER THE PLAN.**

5           5.1    Administrative Expense Claims.   Every Creditor holding an Allowed  
6 Administrative Claim against the Debtors will be paid, in full satisfaction of their Allowed  
7 Claim: (a) fully and in Cash on or before ten (10) Business Days after the Effective Date if  
8 the Claim is then an Allowed Claim; (b) fully and in Cash within ten (10) Business Days  
9 after the entry of a Final Order allowing the Claim, if the Claim is not an Allowed Claim as  
10 of the Effective Date; (c) as otherwise agreed in writing by the Creditor holding the Allowed  
11 Administrative Claim and the Reorganized Debtors; or (d) as otherwise ordered by the  
12 Bankruptcy Court. “Allowed Administrative Expense Claim” shall not, for any purpose  
13 under the Plan, include interest on such Administrative Expense Claim from and after the  
14 Petition Date. Requests for allowance and payment of Administrative Expenses must be  
15 filed and served no later than thirty (30) days after the Effective Date. Administrative  
16 Claims are unimpaired pursuant to the Plan and votes to accept or reject the Plan will not  
17 be solicited from Creditors holding Administrative Claims.

18           5.2    Objections. Notwithstanding any other provision of the Plan to the contrary,  
19 any objections to motions or applications seeking the allowance and payment of  
20 Administrative Expense Claims, including Professional Fee Claims, must be filed and  
21 served within the normal time limits established by the Federal Rules of Bankruptcy  
22 Procedure and the Local Rules of Bankruptcy Procedure for the District of Arizona, or as  
23 otherwise ordered by the Bankruptcy Court. CPF shall be entitled to object to any  
24 Administrative Expense Claims, including Professional Fee Claims.

25           5.3    U.S. Trustee Fees. All fees payable pursuant to section 1930 of Title 28 of  
26 the United States Code, as determined by the Bankruptcy Court at the Confirmation

1 Hearing, shall be paid on the Effective Date, or as due in the normal course of billing and  
2 payment. The Reorganized Debtors shall be responsible for timely payment of fees incurred  
3 pursuant to 28 U.S.C. § 1930(a)(6). The Reorganized Debtors shall file with the Bankruptcy  
4 Court, and serve on the United States Trustee, a quarterly financial report for each quarter  
5 (or portion thereof) that the cases remain open in a format prescribed by the United States  
6 Trustee and provided to the Reorganized Debtors by the United States Trustee, and shall  
7 pay such quarterly fees as become due for each quarter post-confirmation that the cases  
8 remain open. No motion or application is required to fix fees payable to the Clerks' Office  
9 or the Office of the United States Trustee, as those fees are determined by statute.

10       5.4 Priority Tax Claims. Priority Tax Claims are certain pre-Petition Date  
11 unsecured income, employment and other taxes described by Section 507(a)(8) of the  
12 Bankruptcy Code. Holders of Allowed Priority Tax Claims will be paid in full and in cash  
13 within five (5) years of the Petition Date through regular equal monthly installments of  
14 principal and interest. Priority Tax Claims will be allowed in the principal amount of the  
15 tax due as of the Petition Date, with interest at the applicable statutory rate from the  
16 Effective Date in accordance with section 511 of the Bankruptcy Code. No amounts  
17 attributable to penalties imposed or sought to be imposed by holders of Priority Tax Claims  
18 will be paid. Priority Tax Claims are unimpaired pursuant to the Plan and votes to accept  
19 or reject the Plan will not be solicited from Creditors holding Priority Tax Claims.

20 **ARTICLE 6. PROVISIONS FOR TREATMENT OF CLAIMS IMPAIRED UNDER**  
21 **THE PLAN.**

22       6.1 Class 1 (Secured Tax Claims). Class 1 consists of any Secured Tax Claims  
23 filed by the Maricopa County Treasurer against the Debtors.

24             6.1.1 Class 1.1 (Secured Tax Claims Against EP). Class 1.1 consists of the  
25 Secured Tax Claims filed by the Maricopa County Treasurer against EP. The holder  
26 of the Class 1.1 Secured Tax Claim shall retain its Lien in its prepetition Collateral.

1 The holder of the Class 1.1 Secured Tax Claim shall be paid, in full satisfaction of  
2 the Allowed amount of such Class 1.1 Secured Tax Claim, with interest at the  
3 applicable statutory rate in accordance with section 511 of the Bankruptcy Code: (a)  
4 fully and in Cash on or before ten (10) Business Days after the Effective Date if the  
5 Claim is then an Allowed Claim; (b) fully and in Cash within ten (10) Business Days  
6 after the entry of a Final Order allowing the Claim, if the Claim is not an Allowed  
7 Claim as of the Effective Date; (c) as otherwise agreed in writing by the Creditor  
8 holding the Class 1.1 Secured Tax Claim and the Reorganized Debtors; or (d) as  
9 otherwise ordered by the Bankruptcy Court. Upon the payment in full of the  
10 Allowed amount of the Class 1.1 Secured Tax Claim, the statutory Lien securing  
11 such Claim shall be deemed extinguished. The Class 1.1 Secured Tax Claim is  
12 impaired under the Plan, and the holder is entitled to vote to accept or reject the Plan.

13 6.1.2 Class 1.2 (Secured Tax Claims Against SDLI). Class 1.2 consists of  
14 the Secured Tax Claims filed by the Maricopa County Treasurer against SDLI. The  
15 holder of the Class 1.2 Secured Tax Claim shall retain its Lien in its prepetition  
16 Collateral. The holder of the Class 1.2 Secured Tax Claim shall be paid, in full  
17 satisfaction of the Allowed amount of such Class 1.1 Secured Tax Claim, with  
18 interest at the applicable statutory rate in accordance with section 511 of the  
19 Bankruptcy Code: (a) fully and in Cash on or before ten (10) Business Days after the  
20 Effective Date if the Claim is then an Allowed Claim; (b) fully and in Cash within  
21 ten (10) Business Days after the entry of a Final Order allowing the Claim, if the  
22 Claim is not an Allowed Claim as of the Effective Date; (c) as otherwise agreed in  
23 writing by the Creditor holding the Class 1.2 Secured Tax Claim and the  
24 Reorganized Debtors; or (d) as otherwise ordered by the Bankruptcy Court. Upon  
25 the payment in full of the Allowed amount of the Class 1.2 Secured Tax Claim, the  
26 statutory Lien securing such Claim shall be deemed extinguished. The Class 1.2

1 Secured Tax Claim is impaired under the Plan, and the holder is entitled to vote to  
2 accept or reject the Plan.

3 6.1.3 Class 1.3 (Secured Tax Claims Against EoE). Class 1.3 consists of the  
4 Secured Tax Claims filed by the Maricopa County Treasurer against EoE. The  
5 holder of the Class 1.3 Secured Tax Claim shall retain its Lien in its prepetition  
6 Collateral. The holder of the Class 1.3 Secured Tax Claim shall be paid, in full  
7 satisfaction of the Allowed amount of such Class 1.3 Secured Tax Claim, with  
8 interest at the applicable statutory rate in accordance with section 511 of the  
9 Bankruptcy Code: (a) fully and in Cash on or before ten (10) Business Days after the  
10 Effective Date if the Claim is then an Allowed Claim; (b) fully and in Cash within  
11 ten (10) Business Days after the entry of a Final Order allowing the Claim, if the  
12 Claim is not an Allowed Claim as of the Effective Date; (c) as otherwise agreed in  
13 writing by the Creditor holding the Class 1.3 Secured Tax Claim and the  
14 Reorganized Debtors; or (d) as otherwise ordered by the Bankruptcy Court. Upon  
15 the payment in full of the Allowed amount of the Class 1.3 Secured Tax Claim, the  
16 statutory Lien securing such Claim shall be deemed extinguished. The Class 1.3  
17 Secured Tax Claim is impaired under the Plan, and the holder is entitled to vote to  
18 accept or reject the Plan.

19 6.2 Class 2 (CPF Secured Claims). Class 2 consists of CPF's Secured Claims  
20 against the Debtors.

21 6.2.1 Class 2.1 (CPF Secured Claims against EP and GMF). Class 2.1  
22 consists of CPF's Secured Claims against EP and GMF. The Class 2.1 CPF Secured  
23 Claims shall be deemed to be Allowed Claims for all purposes under the Plan in the  
24 amount set forth in CPF's Claim 10-1 filed against EP and Claim 1-1 filed against  
25 GMF, plus all accrued post-petition interest, at the rates set forth in CPF's Claims  
26 and underlying loan documents. On account of, and in settlement of, the Class 2.1

1 CPF Secured Claims, and in consideration of all of the benefits provided by CPF  
2 under the Plan, on the Effective Date, CPF shall receive 100% of the new Equity  
3 Security Interests in the EP and GMF, as reorganized under the Plan. The Class 2.1  
4 CPF Secured Claims are impaired under the Plan, and the holder is entitled to vote  
5 to accept or reject the Plan.

6 6.2.2 Class 2.2 (CPF Secured Claim against GPDR II and SDLI). Class 2.2  
7 consists of CPF's Secured Claims against GPDR II and SDLI. The Class 2.2 CPF  
8 Secured Claims shall be deemed to be Allowed Claims for all purposes under the  
9 Plan in the amount set forth in CPF's Claim 5-1 filed against SDLI and Claim 2-1  
10 filed against GPDR II, plus all accrued post-petition interest at the default rate set  
11 forth in CPF's proofs of claim and underlying loan documents. On account of, and  
12 in settlement of, the Class 2.2 CPF Secured Claims, and in consideration of all of the  
13 benefits provided by CPF under the Plan, on the Effective Date, CPF shall receive  
14 100% of the new Equity Security Interests in SDLI and GPDR II, as reorganized  
15 under the Plan. Nothing in this Section 6.2.2 or any other provision of the Plan shall  
16 release, reduce or impair, or be deemed to have released, reduced, or impaired, CPF's  
17 separate and independent rights and Claims against Bruce Gray or Barbara Gray  
18 under their continuing guaranty. Similarly, nothing in this Section 6.2.2 or any other  
19 provision of the Plan shall release, reduce or impair, or be deemed to have released,  
20 reduced, or impaired any rights, Claims or defenses that Bruce Gray or Barbara Gray  
21 may have with respect to CPF and their related continuing guaranty. The Class 2.2  
22 CPF Secured Claims are impaired under the Plan, and the holder is entitled to vote  
23 to accept or reject the Plan.

24 6.2.3 Class 2.3 (CPF Secured Claim against EoE). Class 2.3 consists of  
25 CPF's Secured Claim against EoE. The Class 2.3 CPF Secured Claim shall be  
26 deemed to be Allowed Claims for all purposes under the Plan in the amount set forth

1 in CPF's Claim 5-1 filed against EoE, plus all accrued post-petition interest at the  
2 default rate set forth in CPF's proofs of claim and underlying loan documents. On  
3 account of, and in settlement of, the Class 2.3 CPF Secured Claims, and in  
4 consideration of all of the benefits provided by CPF under the Plan, on the Effective  
5 Date, CPF shall receive 100% of the new Equity Security Interests in EoE, as  
6 reorganized under the Plan. Nothing in this Section 6.2.3 or any other provision of  
7 the Plan shall release, reduce or impair, or be deemed to have released, reduced, or  
8 impaired, CPF's separate and independent rights and Claim against Bruce Gray  
9 under his continuing guaranty. Similarly, nothing in this Section 6.2.3 or any other  
10 provision of the Plan shall release, reduce or impair, or be deemed to have released,  
11 reduced, or impaired any rights, Claims or defenses that Bruce Gray may have with  
12 respect to CPF or his related continuing guaranty. The Class 2.3 CPF Secured Claim  
13 is impaired under the Plan, and the holder is entitled to vote to accept or reject the  
14 Plan.

15 6.3 Class 3 (DRCA Secured Claim). Class 3 consists of the Secured Claim of  
16 DRCA against EoE. DRCA shall retain its prepetition liens in its Collateral to the same  
17 extent, validity and priority as existed on the Petition Date. In full satisfaction of the  
18 Allowed amount, if any, of its Class 3 Secured Claim, DRCA shall be paid the Allowed  
19 Amount of the Class 3 Secured Claim in twelve equal monthly installments of principal and  
20 interest, at the rate set forth in the Declaration of Covenants, Conditions, Restrictions, and  
21 Easements for Desert Ridge, as amended, beginning on the first Business Day of the first  
22 calendar month following the Effective Date, or as otherwise agreed by CPF and DRCA.  
23 No post-petition late fees or other penalties will be paid. The Class 3 Secured Claim is  
24 impaired, and holders shall be entitled to vote to accept or reject the Plan.

25 6.4 Class 4 (Non-Insider Unsecured Claims). Class 4 consists of all Non-Insider  
26 Unsecured Claims against the Debtors existing as of the Confirmation Date in sub-Classes

1 4.1, 4.2, 4.3, 4.4, and 4.5. Class 4.1, 4.2, 4.3, 4.4, and 4.5 Non-Insider Unsecured Claims  
2 are impaired, and holders shall be entitled to vote to accept or reject the Plan.

3 6.4.1 Holders of Allowed Class 4.1, 4.2, 4.3, 4.4, and 4.5 Non-Insider  
4 Unsecured Claims shall receive their Pro Rata share of the Unsecured Creditor  
5 Dividend Fund (including certain post-Effective Date Avoidance Action recoveries  
6 (if any) as described in Section 8.4 below) on a *pari passu* basis with all other holders  
7 of Allowed Class 4.1, 4.2, 4.3, 4.4, and 4.5 Non-Insider Unsecured Claims. The  
8 Creditor Disbursing Agent will make an initial distribution of 50% of the Unsecured  
9 Creditor Dividend Fund to holders of Allowed Non-Insider Unsecured Claims 60  
10 days after the Effective Date, subject to the requirement of the Creditor Disbursing  
11 Agent to keep appropriate reserves from such distribution for Disputed Claims.  
12 Future distributions will be from time-to-time in the discretion of the Post-Effective  
13 Date Committee until all Allowed Non-Insider Unsecured Claims have been paid in  
14 accordance with the terms of this Section 6.4.1.

15 6.4.2 **Notwithstanding the foregoing, if the Bankruptcy Court finds**  
16 **and concludes at the Confirmation Hearing that the proposed treatment of**  
17 **Insider Unsecured Claims stated in Section 6.5.1 of the Plan unfairly**  
18 **discriminates against holders of Insider Unsecured Claims or otherwise renders**  
19 **the Plan unconfirmable, then holders of Allowed Class 4.1, 4.2, 4.3, 4.4, and 4.5**  
20 **Non-Insider Unsecured Claims will receive the following treatment:** Holders of  
21 Allowed Class 4.1, 4.2, 4.3, 4.4, and 4.5 Non-Insider Unsecured Claims shall receive  
22 their Pro Rata share of the Unsecured Creditor Dividend Fund (including certain  
23 post-Effective Date Avoidance Action recoveries (if any) as described in Section 8.4  
24 below) on a *pari passu* basis with all other holders of Allowed Class 4.1, 4.2, 4.3,  
25 4.4, and 4.5 Non-Insider Unsecured Claims and all holders of Allowed Class 5.1,  
26 5.2, 5.3, 5.4, and 5.5 Insider Unsecured Claims. The Creditor Disbursing Agent will



1 make an initial distribution of 50% of the Unsecured Creditor Dividend Fund to  
2 holders of Allowed Non-Insider Unsecured Claims and Allowed Insider Unsecured  
3 Claims 60 days after the Effective Date, subject to the requirement of the Creditor  
4 Disbursing Agent to keep appropriate reserves from such distribution for Disputed  
5 Claims. Future distributions will be from time-to-time in the discretion of the Post-  
6 Effective Date Committee until all Allowed Non-Insider Unsecured Claims and  
7 Allowed Insider Unsecured Claims have been paid in accordance with the terms of  
8 this Section 6.4.2.

9 6.5 Class 5 (Insider Unsecured Claims). Class 5 consists of all Insider Unsecured  
10 Claims against the Debtors existing as of the Confirmation Date in sub-Classes 5.1, 5.2, 5.3,  
11 5.4 and 5.5. Holders of Class 5.1, 5.2, 5.3, 5.4 and 5.5 Insider Unsecured Claims are deemed  
12 to have rejected the Plan. No votes will be solicited from holders of Class 5.1, 5.2, 5.3, 5.4  
13 and 5.5 Insider Unsecured Claims.

14 6.5.1 Holders of Class 5.1, 5.2, 5.3, 5.4 and 5.5 Insider Unsecured Claims  
15 will not receive or retain any property interests or other recovery under the Plan on  
16 account of their prepetition Claims against the Debtors.

17 6.5.2 **Notwithstanding the foregoing, if the Bankruptcy Court finds and**  
18 **concludes at the Confirmation Hearing that the proposed treatment of Allowed**  
19 **Insider Unsecured Claims stated in Section 6.5.1 unfairly discriminates or**  
20 **otherwise renders the Plan unconfirmable, then holders of Class 5.1, 5.2, 5.3,**  
21 **5.4 and 5.5 Insider Unsecured Claims will receive the following treatment:**

22 Holders of Allowed Class 5.1, 5.2, 5.3, 5.4, and 5.5 Insider Unsecured Claims shall  
23 receive their Pro Rata share of the Unsecured Creditor Dividend Fund (including  
24 certain post-Effective Date Avoidance Action recoveries (if any) as described in  
25 Section 8.4 below) on a *pari passu* basis with all other holders of Allowed Class 5.1,  
26 5.2, 5.3, 5.4, and 5.5 Insider Unsecured Claims and all holders of Allowed Class 4.1,

1 4.2, 4.3, 4.4, and 4.5 Non-Insider Unsecured Claims. The Creditor Disbursing Agent  
2 will make an initial distribution of 50% of the Unsecured Creditor Dividend Fund to  
3 holders of Allowed Non-Insider Unsecured Claims and Allowed Insider Unsecured  
4 Claims 60 days after the Effective Date, subject to the requirement of the Creditor  
5 Disbursing Agent to keep appropriate reserves from such distribution for Disputed  
6 Claims. Future distributions will be from time-to-time in the discretion of the Post-  
7 Effective Date Committee until all Allowed Non-Insider Unsecured Claims and  
8 Allowed Insider Unsecured Claims have been paid in accordance with the terms of  
9 this Section 6.5.2.

10 6.6 Class 6 (Equity Security Interests). Class 6 consists of the Equity Security  
11 Interests in each of the Debtors in Classes 6.1, 6.2, 6.3, 6.4, and 6.5. All prepetition Equity  
12 Security Interests in the Debtors shall be deemed cancelled on the Effective Date. Holders  
13 of Class 6.1, 6.2, 6.3, 6.4, and 6.5 Equity Security Interests will not receive or retain any  
14 property interests or other recovery under the Plan on account of their prepetition Equity  
15 Security Interests. Classes 6.1, 6.2, 6.3, 6.4, and 6.5 are deemed to have rejected the Plan.  
16 No votes will be solicited from holders of Class 6.1, 6.2, 6.3, 6.4, and 6.5 Equity Security  
17 Interests.

18 6.7 Class 7 (Emerald Equities Claim). Class 7 consists of the Claim asserted by  
19 Emerald Equities against EP and SDLI. In full and final satisfaction of the Class 7 Claim,  
20 SDLI will honor and perform all of its duties and obligations under the Emerald Equities  
21 Letter Agreement, including, but not limited to conveying the Sonoran Land Sale Parcel to  
22 Emerald Equities, in accordance with the terms of the Emerald Equities Letter Agreement,  
23 in exchange for the Price reflected in the Letter Agreement to be paid by Emerald Equities  
24 to SDLI, provided that (i) Emerald Equities honors and performs all of its duties and  
25 obligations under the Emerald Equities Letter Agreement, and (ii) the litigation styled  
26 *Emerald Equities, L.L.C. v. Sonoran Desert Land Investors, LLC, et al.*, Maricopa County

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1 Superior Court Case No. CV2015-005837 is dismissed with prejudice, each party to bear  
2 its own attorneys' fees and costs. Without limiting the foregoing, SDLI and Emerald  
3 Equities will work together in good faith to effectuate the terms and spirit of the original  
4 Emerald Equities Letter Agreement. In addition to the foregoing, SDLI will credit Emerald  
5 Equities \$25,000 at Closing toward the Price of the Sonoran Land Parcel in full satisfaction  
6 of any attorneys' fees, costs, and expenses incurred by Emerald Equities. Unless otherwise  
7 stated, capitalized terms used in this Section 6.7 of the Plan shall have the meanings ascribed  
8 to such terms in the Emerald Equities Letter Agreement.

9 The Class 7 Claim is impaired, and the holder shall be entitled to vote to accept or  
10 reject the Plan.

11 **ARTICLE 7. ACCEPTANCE OR REJECTION OF PLAN; EFFECT OF**  
12 **REJECTION BY ONE OR MORE CLASSES OF CLAIMS.**

13 7.1 Impaired Classes to Vote. Each impaired class of Creditors with Claims  
14 against the Estates shall be forwarded a ballot and shall be entitled to vote to accept or reject  
15 the Plan.

16 7.2 Acceptance by a Class of Creditors. A Class of Creditors shall be deemed to  
17 have accepted the Plan if the Plan is accepted by at least (i) two-thirds (2/3) in the aggregate  
18 dollar amount and (ii) more than one-half (1/2) in number of the Claims of such class that  
19 have voted to accept or reject the Plan.

20 7.3 Cram-down. With respect to any impaired Class of Claims or Equity Security  
21 Interests that fails to accept the Plan or is deemed to have rejected the Plan in accordance  
22 with Sections 1126 and 1129(a) of the Bankruptcy Code, CPF requests that the Bankruptcy  
23 Court confirm the Plan, notwithstanding such rejection, in accordance with Section 1129(b)  
24 of the Bankruptcy Code.

1           7.4 Blank Ballots. Any Ballot which is executed by the Holder of an Allowed  
2 Claim or interest but which does not indicate an acceptance or rejection of the Plan shall be  
3 deemed an acceptance of the Plan.

4 **ARTICLE 8. MEANS OF EFFECTUATING THE PLAN.**

5           8.1 In General. The Plan is to be implemented in a manner consistent with  
6 Section 1123 of the Bankruptcy Code and the Reorganized Debtors, as applicable, are  
7 authorized to take any and all actions that may be necessary or appropriate to implement  
8 the terms of the Plan.

9           8.2 Issuance of Equity Interests in Reorganized Debtors. On the Effective Date,  
10 all existing Equity Security Interests in each of the Debtors shall be deemed cancelled. In  
11 exchange for the CPF Plan Contribution and the other benefits provided under the Plan by  
12 CPF, CPF shall receive 100% of the new Equity Security Interests in each of the  
13 Reorganized Debtors.

14           8.3 Post-Effective Date Committee. The Post-Effective Date Committee and  
15 Creditor Disbursing Agent shall be deemed appointed on the Effective Date in accordance  
16 and subject to Sections 1.39 and 1.79 of the Plan.

17           8.4 Avoidance Action Recoveries. In addition to the \$2,200,000 to be funded by  
18 CPF to the Unsecured Creditor Dividend Fund on the Effective Date, the Reorganized  
19 Debtors will contribute the following additional amounts to the Unsecured Creditor  
20 Dividend Fund, as, when, and if available to be used to make distributions to the holders of  
21 Allowed Unsecured Claims that are entitled to share in distributions from the Unsecured  
22 Creditor Dividend Fund on a *Pro Rata* basis:

23               8.4.1 Avoidance Actions. If the Reorganized Debtors successfully pursue  
24 one or more Avoidance Actions that result in net recoveries to the Reorganized  
25 Debtors, the Reorganized Debtors will fund the following additional amounts to the  
26 Unsecured Creditor Dividend Fund: 50% of the net Avoidance Action recoveries,

1 after (i) the payment of all attorneys' fees, costs and expenses (including an costs of  
2 settlement), incurred by the Reorganized Debtors and CPF in the prosecution,  
3 settlement, and collection of the Avoidance Actions, and (ii) the payment of 10%  
4 simple interest on all fees, costs, and expenses advanced by the Reorganized Debtors  
5 or CPF, provided that the Reorganized Debtors' total additional contributions to the  
6 Unsecured Creditor Dividend Fund under this Section 8.4.1 shall not exceed  
7 \$1,100,000. For the purposes of calculating net recoveries from Avoidance Actions,  
8 all fees, costs and expenses paid to satisfy and extinguish liens, claims, interests, and  
9 encumbrances of good faith transferees and other liens, claims, interests, and  
10 encumbrances that remain on the property following recovery by the Reorganized  
11 Debtors shall be deducted.

12 8.4.2 LKY Parcels. If an Avoidance Action by the Reorganized Debtors  
13 results in the recovery of the LKY Parcels by the Reorganized Debtors, the LKY  
14 Parcels will be marketed and sold by the Reorganized Debtors on an "as is" "where  
15 is" basis, in the condition received, provided that CPF shall have a right of first  
16 refusal to purchase the LKY Parcels for an amount equal to the highest bid received  
17 by the Reorganized Debtors for the LKY Parcels. The purchase price obtained by  
18 the Reorganized Debtors for the LKY Parcels, less the amount of all liens, claims,  
19 interests, and encumbrances that remain on the property following recovery by the  
20 Reorganized Debtors, shall be the starting point for calculating the net recovery in  
21 accordance with Section 8.4.1.

22 8.4.3 Timing. The funding of the additional amounts (if any) by the  
23 Reorganized Debtors to the Unsecured Creditor Dividend Fund under Section 8.4  
24 shall occur as follows:

- 25 (a) With respect to net recoveries received by a Reorganized  
26 Debtor as a result of a settlement of an Avoidance Action, the amounts

1 required to be funded under Section 8.4.1, shall be funded only after the entry  
2 of a Final Order approving the settlement and the expiration of 90 days after  
3 the applicable Reorganized Debtor's receipt of the settlement proceeds  
4 without a case under the Bankruptcy Code having been filed by or against the  
5 Entity from which the recovery was obtained or, if such a case has been filed,  
6 the Reorganized Debtors having reasonably determined in their good faith  
7 judgment that an order or judgment adjudging any Reorganized Debtor liable  
8 to the estate of such Entity for all or any portion of such recovery is not  
9 possible.

10 (b) With respect to net recoveries received by a Reorganized  
11 Debtor as a result of collections from a Final Order resolving an Avoidance  
12 Action in favor of a Reorganized Debtor, the amounts required to be funded  
13 under Section 8.4.1, shall be funded only after the entry of a Final Order in  
14 favor of the applicable Reorganized Debtor and the expiration of 90 days after  
15 the Reorganized Debtor's collection of the proceeds of the Final Order  
16 without a case under the Bankruptcy Code having been filed by or against the  
17 Entity from which the recovery was obtained or, if such a case has been filed,  
18 the Reorganized Debtors having reasonably determined in their good faith  
19 judgment that an order or judgment adjudging any Reorganized Debtor liable  
20 to the estate of such Entity for all or any portion of such recovery is not  
21 possible.

22 8.5 Revesting of Assets in Reorganized Debtors. Except as otherwise expressly  
23 provided in this Plan, pursuant to Sections 1123(a)(5), 1123(b)(3) and 1141(b) of the  
24 Bankruptcy Code, all of the Debtors' assets and those of their Estates (including, without  
25 limitation, all Estate Claims and Avoidance Actions and the right to bring all Estate Claims  
26 and Avoidance Actions) shall automatically be retained and revested in the relevant

1 Reorganized Debtor, free and clear of all Claims, liens, contractually-imposed restrictions,  
2 charges, encumbrances and interests of creditors and Equity Security Holders on the  
3 Effective Date, with all such Claims, liens, contractually-imposed restrictions, charges,  
4 encumbrances and interests being extinguished except as otherwise provided in this Plan.  
5 As of the Effective Date, each Reorganized Debtor may acquire and dispose of property  
6 and settle and compromise Claims without supervision of the Bankruptcy Court and free of  
7 any restrictions of the Bankruptcy Code or the Bankruptcy Rules, other than those  
8 restrictions expressly imposed by this Plan and the Confirmation Order. Without limiting  
9 the foregoing, each Reorganized Debtor may pay the charges it incurs for professional fees,  
10 disbursements, expenses or related support services after the Effective Date without any  
11 application to the Bankruptcy Court.

12           8.6 Corporate Action. Pursuant to section 1142 of the Bankruptcy Code and any  
13 applicable provisions of the business corporation law of any applicable state, the entry of  
14 the Confirmation Order shall constitute authorization for the Reorganized Debtors to take  
15 or cause to be taken all corporate and limited liability company actions necessary or  
16 appropriate to consummate and implement the provisions of this Plan on and after the  
17 Effective Date, and all such actions taken or caused to be taken shall be deemed to have  
18 been authorized and approved by the Bankruptcy Court, including without limitation: (a)  
19 the cancellation of all of the issued and outstanding Equity Security Interests in the Debtors;  
20 (b) the issuance of the new Equity Security Interests in the Debtors to CPF; (c) the election  
21 of directors, managers and officers in accordance with this Plan; (d) the adoption of the  
22 Reorganized Debtors' organizational documents, which shall supersede the prior  
23 certificates of incorporation, articles of organization, limited liability company agreements,  
24 operating agreements, by-laws or other organizational documents, as appropriate, of each  
25 of the Reorganized Debtors; and (e) all actions as are necessary or appropriate to close or  
26 dismiss the Case. All such actions shall be deemed to have occurred and shall be in effect

1 pursuant to applicable non-bankruptcy law and the Bankruptcy Code, without any  
2 requirement of further action by the members, stockholders, directors or managers of the  
3 Debtors, the Reorganized Debtors or any of their affiliates. On the Effective Date, the  
4 appropriate officers, directors, members and managers of the Reorganized Debtors are  
5 authorized and directed to execute and deliver the agreements, documents and instruments  
6 contemplated by this Plan in the name of and on behalf of the Debtors and/or the  
7 Reorganized Debtors, as applicable.

8       8.7 Organizational Documents. Any prepetition written or oral operating  
9 agreement applicable to any of Debtors shall be deemed terminated and of no further force  
10 or effect as of the Effective Date, and, CPF shall be entitled to file amended articles of  
11 organization for each of the Reorganized Debtors reflecting CPF's 100% member interest  
12 in each of the Reorganized Debtors. CPF, or an individual designated by CPF, will have  
13 the power to execute any new operating agreements and other organizational documents on  
14 behalf of each of the Reorganized Debtors.

15       8.8 Post Effective Date Management of the Reorganized Debtors. On the  
16 Effective Date, the existing managers of the Debtors shall be deemed terminated and shall  
17 have no further authority or control of the Reorganized Debtors and operation of each  
18 Reorganized Debtor shall become the general responsibility of the respective members,  
19 managers, board members and/or officers elected or appointed in accordance with  
20 applicable non-bankruptcy law. Subject to any requirement of Bankruptcy Court approval  
21 pursuant to section 1129(a)(5) of the Bankruptcy Code, the initial members and managers  
22 of each Reorganized Debtor shall be comprised of the individuals set forth on Schedule 8.5  
23 to the Plan. Each such member and manager will serve from the Effective Date until his or  
24 her successor is duly elected or appointed and qualified or until his or her earlier death,  
25 resignation or removal in accordance with the terms of the certificate of incorporation and  
26



1 bylaws (or comparable constituent documents) of the respective Reorganized Debtor and  
2 state law.

3 8.9 Release of Liens. Except as otherwise provided in the Plan or in any contract,  
4 instrument, release or other agreement or document to be assumed, entered into or delivered  
5 in connection with the Plan, on the Effective Date and consistent with the treatment  
6 provided for Claims and Interests in Article 5 and 6, all liens on, in or against the  
7 Reorganized Debtors' Assets shall be fully released and discharged, and all of the right, title  
8 and interest of any holder of Liens, including any rights to any Collateral thereunder, shall  
9 revert to the Reorganized Debtors and their successors and assigns, as applicable. As of the  
10 Effective Date, the Reorganized Debtors shall be authorized but not required to execute and  
11 file or record releases or Form UCC-3 Termination Statements or such other forms as may  
12 be necessary or appropriate to implement the provisions of this Section 8.6.

13 8.10 Turnover of Assets. Bruce Gray, Gray Western Development Company, and  
14 all affiliates, insiders, and Representatives of Bruce Gray and Gray Western Development  
15 Company shall promptly turnover all Assets, including all Documents, contracts, and  
16 business records of the Debtors and Reorganized Debtors to CPF on the Effective Date.

17 8.11 Pending CPF Litigation. Notwithstanding any other term or provision of the  
18 Plan to the contrary, in consideration to the benefits provided and to be provided under the  
19 Plan by CPF, on the Effective Date, the Ganymede Adversary, the Ganymede Claims, the  
20 Lien Avoidance Adversary, and the Lien Avoidance Claims shall be deemed settled and  
21 dismissed with prejudice, and all Claims asserted or that could have been asserted in the  
22 foregoing actions shall be deemed released.

23 8.12 Transfer of GBSRP I Property. On the Effective Date or as soon thereafter  
24 as practicable, SDLI will cause GBSRP I to convey the GBSRP I Property from GBSRP I  
25 back to SDLI by special warranty deed, subject to any existing encumbrances, including the  
26 *lis pendens* associated with Proof of Claim 4-1 filed by Emerald Equities, LLC against

1 SDLI. The transfer of the GBSRP I Property to SDLI will be in settlement of any Avoidance  
2 Action by the Estates against GBSRP I in relation to the GBSRP I Property.

3 8.13 No Successor Liability. The Reorganized Debtors and CPF are not, and shall  
4 not be, successors to the Debtors by reason of any theory of law or equity, and none shall  
5 have any successor or transferee liability of any kind or character, except that the  
6 Reorganized Debtors shall assume the obligations specified in the Plan and the  
7 Confirmation Order.

8 8.14 Effectuating Documents; Further Transactions. The Reorganized Debtors or  
9 their designees, as applicable, shall be authorized to (a) execute, deliver, file or record such  
10 contracts, instruments, releases and other agreements or documents and take such actions  
11 as may be necessary or appropriate to effectuate and implement the provisions of the Plan  
12 and (b) certify or attest to any of the foregoing actions.

13 **ARTICLE 9. EXECUTORY CONTRACTS AND UNEXPIRED LEASES.**

14 9.1 The 20 Acre Lease and the 96.5 Acre Lease shall be deemed assumed on the  
15 Effective Date. All deferred lease payments shall be paid timely and in full by EP, GMF,  
16 and GPDR II in the amounts and at the times set forth in the 20 Acre Rent Extension Letter  
17 and the 96.5 Acre Rent Extension Letter.

18 9.2 Except as stated in Section 9.1 above, the Plan contemplates and hereby  
19 provides for the rejection, pursuant to Section 365 of the Bankruptcy Code, of any and all  
20 other Executory Contracts and Unexpired Leases of the Debtors which are in force on the  
21 Effective Date, except (i) those Executory Contracts and Unexpired Leases which were  
22 specifically assumed pursuant to an order of the Bankruptcy Court, and (ii) those Executory  
23 Contracts and Unexpired Leases listed on Schedule 9.2 attached hereto, which Executory  
24 Contracts and Unexpired Leases shall be deemed assumed on the Effective Date. Without  
25 limiting the foregoing, the EoE Certificate of Purchase shall be deemed rejected on the  
26 Effective Date.

1           9.3    The Confirmation Order (except as otherwise provided therein) shall  
2 constitute an order of the Bankruptcy Court pursuant to Section 365 of the Bankruptcy  
3 Code, effective as of the Effective Date, approving the assumptions and rejections  
4 hereunder. Each contract and lease assumed pursuant to Section 9.1 or 9.2 shall be assumed  
5 only to the extent that any such contract or lease constitutes an Executory Contract or  
6 Unexpired Lease. Assumption of a contract or lease pursuant to Section 9.1 or 9.2 shall not  
7 constitute an admission by the Reorganized Debtors that such contract or lease is an  
8 Executory Contract or Unexpired Lease or that the Debtors or the Reorganized Debtors, as  
9 applicable, have any liability thereunder. All Executory Contracts and Unexpired Leases  
10 that are assumed will be assumed under their present terms or upon such terms as are agreed  
11 to in writing between the Reorganized Debtors and the counterparty to such contract or  
12 lease.

13           9.4    CPF asserts that no cure amounts are due from the Debtors to any  
14 counterparty to an Executory Contract or Unexpired Lease assumed hereunder. CPF will  
15 serve the Plan on the non-Debtor counterparties to each such Executory Contract or  
16 Unexpired Lease prior to the Confirmation Hearing. Each such counterparty shall have  
17 until the date that is five (5) Business Days prior to the Confirmation Hearing to file an  
18 objection to the assumption of its Executory Contract or Unexpired Lease (whether the  
19 objection relates to the cure amount or otherwise). If any objections are filed and cannot be  
20 resolved by agreement, the Bankruptcy Court shall hold a hearing to determine the cure  
21 amount with respect to such Executory Contract or Unexpired Lease or to otherwise resolve  
22 the objection, which hearing may be the Confirmation Hearing. Any party failing to object  
23 to the assumption of their Executory Contract or Unexpired Lease as set forth above shall  
24 be forever barred from asserting, collecting or seeking to collect any cure amount or from  
25 otherwise objecting to the assumption and assignment of such Executory Contract or  
26 Unexpired Lease. Notwithstanding the foregoing, or anything else in this Article 9, with

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1 respect to any Executory Contract or Unexpired Lease which is the subject of an objection,  
2 the Reorganized Debtors shall retain the right, until five (5) Business Days following any  
3 order resolving such objection having become a Final Order, to reject such Executory  
4 Contract or Unexpired Lease by amending Schedule 9.2. Within ten (10) days of the later  
5 of the Effective Date or the date that an order of the Bankruptcy Court establishing the cure  
6 amount of such Executory Contract or Unexpired Lease becomes a Final Order, or as  
7 otherwise agreed with the counterparty to each Executory Contract or Unexpired Lease, the  
8 Reorganized Debtors shall pay the cure amounts to the non-Debtor parties to such  
9 Executory Contracts and Unexpired Leases being assumed and/or assigned.

10 9.5 Notwithstanding any other provision in this Plan or prior notice of any kind  
11 from the clerk of the Bankruptcy Court, any and all Creditors or persons with Claims against  
12 a Debtor's Estate arising out of or in connection with or due to the rejection of an Executory  
13 Contract or Unexpired Lease pursuant to the Plan shall have thirty (30) days from the  
14 Effective Date within which to file a proof of claim in the true amount of such Claims. If  
15 any such Creditors fail to file such proofs of claim within said thirty (30) day period, then  
16 such Creditors shall have no Claims as against the Debtors, their Estates, the Reorganized  
17 Debtors or their respective Representatives, which Claims arising out of or in connection  
18 with or due to such rejection of such Executory Contract or Unexpired Lease, shall be  
19 dismissed, released and null and void.

20 9.6 Any Claim that arises from the rejection of an Executory Contract or  
21 Unexpired Lease shall, to the extent such Claim becomes an Allowed Claim, be treated as  
22 a Non-Insider Unsecured Claim or an Insider Unsecured Claim, as applicable based on the  
23 definition of such terms in the Plan.

24 9.7 Any claim filed in accordance with the provisions of Section 9.5 hereof shall  
25 be treated as a Disputed Claim until the period of time has elapsed within which the  
26 Reorganized Debtors may file an objection to such Claim.

1 **ARTICLE 10. RETENTION OF JURISDICTION.**

2 10.1 Notwithstanding the entry of the Confirmation Order or the occurrence of  
3 Effective Date, the Bankruptcy Court shall retain jurisdiction over these Cases and any  
4 proceedings related thereto to the fullest extent permitted by the Bankruptcy Code or  
5 applicable law, and to make such orders as are necessary or appropriate to carry out the  
6 provisions of this Plan.

7 10.2 In addition, the Bankruptcy Court shall retain jurisdiction to implement the  
8 provisions of the Plan in the manner as provided under Section 1142 of the Bankruptcy  
9 Code. If the Bankruptcy Court abstains from exercising, or declines to exercise jurisdiction,  
10 or is otherwise without jurisdiction over any matter set forth in this Section, or if the  
11 Reorganized Debtors elect to bring an action or proceeding in any other forum, then this  
12 Section shall have no effect upon and shall not control, prohibit or limit the exercise of  
13 jurisdiction by any other court, public authority, or commission having competent  
14 jurisdiction over such matters.

15 10.3 Without limiting the foregoing, the Bankruptcy Court shall retain jurisdiction  
16 of the Cases for the following matters:

17 10.3.1 To enable the Reorganized Debtors to consummate any and all  
18 proceedings which may have been brought before or after the entry of the  
19 Confirmation Order, to challenge or object to the allowance of Claims and to recover  
20 any preferences, transfers, assets or damages to which the Reorganized Debtors may  
21 be entitled under the applicable provisions of the Code or other federal, state or local  
22 law;

23 10.3.2 To adjudicate all controversies concerning the classification or  
24 allowance of a Claim or Equity Security Interest;

25 10.3.3 To adjudicate all disputes regarding or relating in any way to Claims,  
26 Equity Security Interests, and the Plan;

1           10.3.4 To hear and determine all claims or motions arising from or seeking  
2 the assumption and/or assignment or rejection of any Executory Contracts or  
3 Unexpired Leases, and to consummate the rejection and termination thereof or with  
4 respect to any Executory Contracts or Unexpired Leases to which an application or  
5 motion for rejection or termination is filed before entry of the Confirmation Order;

6           10.3.5 To liquidate the amount of any Disputed, contingent or unliquidated  
7 Claims;

8           10.3.6 To adjudicate all claims to a security or ownership interest in any  
9 property of the Debtors or in any proceeds thereof, including the adjudication of all  
10 claims asserted by Creditors and Holders of Equity Security Interests;

11           10.3.7 To adjudicate all claims or controversies arising out of any purchases,  
12 sales, or contracts made or undertaken by the Debtors during the pendency of the  
13 Cases;

14           10.3.8 To adjudicate, determine and resolve any and all adversary  
15 proceedings, applications, motions, and contested or litigated matters, instituted  
16 before the closing of the Case;

17           10.3.9 To recover all Assets and properties of the Debtors, wherever located;

18           10.3.10 To adjudicate and determine any cause of action retained by the  
19 Debtors or otherwise provided for under the Plan or pursuant to the Confirmation  
20 Order;

21           10.3.11 To make orders as are necessary or appropriate to carry out the  
22 provisions of the Plan, or in aid of confirmation and consummation of the Plan;

23           10.3.12 To hear and determine any application to modify the Plan in  
24 accordance with Section 1127 of the Bankruptcy Code, to remedy any defect or  
25 omission, or reconcile any inconsistency in the Plan, the Disclosure Statement or any  
26 Order of the Bankruptcy Court, including the Confirmation Order, in such a manner

1 as may be necessary to carry out the purposes and effects hereof;

2 10.3.13 To hear and determine all matters concerning state, local and  
3 federal taxes in accordance with Sections 346, 505 and 1146 of the Bankruptcy  
4 Code;

5 10.3.14 To determine any and all applications, adversary proceedings,  
6 and contested or litigated matters properly before the Bankruptcy Court before or  
7 after the Confirmation Date;

8 10.3.15 To hear and determine all controversies, suits and disputes, if  
9 any, as may arise with regard to orders of the Bankruptcy Court in the Cases entered  
10 on or before the Effective Date; and

11 10.4 To enter an Order closing each of the Cases.

12 **ARTICLE 11. PROCEDURES FOR RESOLVING DISPUTED CLAIMS.**

13 11.1 Objections to Claims. The Reorganized Debtors shall be entitled to object to  
14 any Claims, with the exception of all Unsecured Claims (except the Class 7 Emerald  
15 Equities Claim), which Unsecured Claims shall be administered by the Post-Effective Date  
16 Committee and paid from the Unsecured Creditor Dividend Fund in accordance with and  
17 subject to Sections 1.39 and 1.84 of the Plan. Any objections to Claims shall be served and  
18 filed on or before the later of: (i) sixty (60) days after the Effective Date; (ii) thirty (30) days  
19 after a request for payment or proof of Claim is timely filed and properly served; or (iii)  
20 such other date as may be fixed by the Bankruptcy Court, whether before or after the dates  
21 specified in subsections (i) and (ii) herein. Notwithstanding any authority to the contrary,  
22 an objection to a Claim shall be deemed properly served on the Creditor if service is effected  
23 in any of the following manners: (a) in accordance with Federal Rule of Civil Procedure 4,  
24 as modified and made applicable by Bankruptcy Rule 7004; (b) by first class mail, postage  
25 prepaid, on any counsel that has appeared on the Creditor's behalf in the Cases; or (c) by  
26

1 first class mail, postage prepaid, on the signatory on the proof of Claim or other  
2 representative identified in the proof of Claim or any attachment thereto.

3 11.2 Payments and Distributions with Respect to Disputed Claims.

4 Notwithstanding any other provision hereof, if any portion of a Claim is a Disputed Claim,  
5 no payment or distribution provided hereunder shall be made on account of such Claim  
6 unless and until the amount of such Disputed Claim which constitutes an Allowed Claim is  
7 determined, and the balance (if any) becomes a Disallowed Claim.

8 11.3 Distributions after Allowance. After such time as a Disputed Claim becomes  
9 an Allowed Claim, the Debtors or Creditor Disbursing Agent, as applicable, shall distribute  
10 to the holder thereof the distributions, if any, to which such holder is then entitled under the  
11 Plan in accordance with the provisions hereof. Distributions in respect of Disputed Claims  
12 that become Allowed Claims shall be made within fifteen (15) days after such Disputed  
13 Claims become Allowed Claims by Final Order of the Bankruptcy Court or as soon  
14 thereafter as practicable.

15 **ARTICLE 12. PROVISIONS CONCERNING DISTRIBUTIONS.**

16 12.1 Time of Distributions under the Plan. Payments and distributions to be made  
17 on or after the Effective Date pursuant to the Plan shall be made on such date, or as soon as  
18 practicable thereafter, except as otherwise provided for in the Plan, or as may be ordered by  
19 the Bankruptcy Court, or as may be agreed to by the Reorganized Debtors and the holder  
20 of the Allowed Claim.

21 12.2 Payment Dates. Whenever any payment or distribution to be made under the  
22 Plan shall be due on a day other than a Business Day, such payment or distribution shall  
23 instead be made, without interest, on the next Business Day, or as soon as practicable  
24 thereafter, or as may be agreed to by the Reorganized Debtors and the holder of the Allowed  
25 Claim.



1           12.3 Manner of Payments under the Plan. Cash payments made pursuant to the  
2 Plan shall be made in the currency of the United States, by check drawn on a domestic bank  
3 or by wire transfer from a domestic bank. Distributions to all holders of Allowed Claims  
4 shall be made (a) at the addresses set forth in the proof of claim filed by such holders (or at  
5 last known addresses of such holders if no proofs of claims were filed or the Debtors were  
6 notified of a change of address); or (b) at the addresses set forth in any written notices of  
7 address change delivered to the Reorganized Debtors or the Bankruptcy Court; or (c) at the  
8 addresses reflected in the Debtors' schedules if no claim shall have been filed and no written  
9 notice of an address change has been received by the Reorganized Debtors. No payments  
10 shall be made to a holder of a Disputed Claim unless and until such Claim becomes an  
11 Allowed Claim by a Final Order.

12           12.4 Fractional Cents. Any other provision of the Plan to the contrary  
13 notwithstanding, no payments of fractions of cents will be made. Whenever any payment  
14 of a fraction of a cent would otherwise be called for, the actual payment shall reflect a  
15 rounding of such fraction to the nearest whole cent (rounding down in the case of .5).

16           12.5 Non-Negotiated Checks. If a Holder of an Allowed Claim, or any other claim  
17 or interest fails to negotiate a check issued to such holder under the Plan within sixty (60)  
18 days of the date such check was issued by the Reorganized Debtors, then the amount of  
19 Cash or other property attributable to such check shall be deemed to be "Unclaimed  
20 Distributions," and the payee of such check shall be deemed to have no further Claim or  
21 future Claim against the Reorganized Debtors.

22           12.6 Unclaimed Distributions. In the event any payment to a holder of a Claim  
23 under the Plan remains unclaimed for a period of sixty (60) days after such distribution has  
24 been made (or after such delivery has been attempted), such Unclaimed Distribution and all  
25 future distributions to be made to such holders shall be deemed forfeited by such holder.  
26 Unclaimed Distributions with respect to Allowed Non-Insider Unsecured Claims or

1 Allowed Insider Unsecured Claims shall be returned to the Unsecured Creditor Dividend  
2 Fund.

3 12.7 Disputed Payments or Distributions. In the event of any dispute between and  
4 among Claimants (including the Entity or Entities asserting the right to receive the disputed  
5 payment or distribution) as to the right of any Entity to receive or retain any payment or  
6 distribution to be made to such Entity under the Plan, the Reorganized Debtors may, in lieu  
7 of making such payment or distribution to such Entity, make it instead into an escrow  
8 account or to a disbursing agent, for payment or distribution as ordered by the Bankruptcy  
9 Court or as the interested parties to such dispute may otherwise agree among themselves,  
10 and the payment or distribution shall be deemed to have been made to and received by the  
11 Entity determined to be entitled to such payment or distribution as of the date that the  
12 Reorganized Debtors delivers such payment or distribution to a disbursing agent or escrow  
13 account.

14 **ARTICLE 13. EFFECT OF CONFIRMATION OF PLAN.**

15 13.1 Binding Effect. On and after the Confirmation Date, the provisions of the  
16 Plan shall bind the Debtors and any holder of a Claim against, or Equity Security Interest  
17 in, the Debtors and their respective successors and assigns, whether or not the Claim or  
18 Equity Interest of such holder is impaired under the Plan and whether or not such holder  
19 has voted on or accepted the Plan.

20 13.2 Discharge. Except for any liability imposed by the Plan or as expressly  
21 provided in the Plan, (a) each holder of a Claim against or Equity Security Interest in a  
22 Debtor shall be deemed to have forever waived, released and discharged the Debtors, to the  
23 fullest extent permitted by section 1141 of the Bankruptcy Code, of and from any and all  
24 Claims, Equity Security Interests, rights and liabilities that arose prior to the Effective Date  
25 and (b) all such holders shall be forever precluded and enjoined, pursuant to section 524 of  
26 the Bankruptcy Code, from prosecuting or asserting any discharged Claim against or

1 terminated Equity Security Interest in the Debtors; provided however that if Confirmation  
2 of this Plan does not occur and/or the conditions precedent to the Effective Date of the Plan  
3 are not satisfied, the Plan shall be deemed null and void. In such event, nothing contained  
4 in this Plan shall be deemed to constitute a waiver or release of any claims against the  
5 Debtors or their Estates or any other Persons, or to prejudice in any manner the rights of  
6 CPF and/or any other Person in any further proceeding involving the Debtors, their Estates  
7 and/or any Person.

8       13.3 Post-Confirmation Quarterly Fees. Quarterly fees pursuant to 28 U.S.C.  
9 Section 1930(a)(6) continue to be payable to the Office of the United States Trustee by the  
10 Reorganized Debtors until such time as the Case is converted, dismissed, or closed pursuant  
11 to a final decree.

12       13.4 Retention of Claims and Causes of Action. Except to the extent any rights,  
13 claims, causes of action, defenses, and counterclaims are expressly and specifically released  
14 or assigned in connection with this Plan or in any settlement agreement approved during  
15 the Cases: (i) any and all Claims accruing to the Debtors or the Estates shall remain assets  
16 of and vest in the Reorganized Debtors whether or not litigation relating thereto is pending  
17 on the Effective Date, and whether or not any such Claims have been listed or referred to  
18 in the Plan, the Disclosure Statement, or any other document filed with the Bankruptcy  
19 Court, and (ii) neither the Reorganized Debtors nor the Estates waive, release, relinquish,  
20 forfeit, or abandon (nor shall they be estopped or otherwise precluded or impaired from  
21 asserting) any Claims or defenses that constitute property of the Debtors or the Estates: (a)  
22 whether or not such Claims or defenses have been listed or referred to in this Plan, the  
23 Disclosure Statement, or any other document filed with the Bankruptcy Court, (b) whether  
24 or not such Claims are currently known to the Debtors or CPF, and (c) whether or not a  
25 defendant in any litigation relating to such Claims filed a proof of claim in the Case, filed a  
26 notice of appearance or any other pleading or notice in the Case, voted for or against this

1 Plan, or received or retained any consideration under this Plan. Without in any manner  
2 limiting the scope of the foregoing, notwithstanding any otherwise applicable principle of  
3 law or equity, including, without limitation, any principles of judicial estoppel, res judicata,  
4 collateral estoppel, issue preclusion, or any similar doctrine, the failure to list, disclose,  
5 describe, identify, analyze or refer to any Claim or cause of action, in the Plan, the  
6 Disclosure Statement, or any other document filed with the Bankruptcy Court shall in no  
7 manner waive, eliminate, modify, release, or alter the Reorganized Debtors' right to  
8 commence, prosecute, defend against, settle, recover on account of, and realize upon any  
9 Claim that the Debtors or their Estates have or may have as of the Effective Date.

10 Except to the extent any rights, claims, causes of action, defenses, and counterclaims  
11 are expressly and specifically released or assigned in connection with this Plan or in any  
12 settlement agreement approved during the Case, the Reorganized Debtors expressly  
13 reserves all Claims and defenses for later adjudication by the Reorganized Debtors and  
14 therefore, no preclusion doctrine, including the doctrines of res judicata, collateral estoppel,  
15 issue preclusion, claim preclusion, waiver, estoppel (judicial, equitable or otherwise) or  
16 laches will apply to such Claims and defenses upon or after the Confirmation or  
17 Consummation of the Plan based on the Disclosure Statement, the Plan, and/or the  
18 Confirmation Order. In addition, the Reorganized Debtors expressly reserve the right to  
19 pursue or adopt Claims that are alleged in any lawsuits in which the Debtors are a defendant  
20 or an interested party, against any Person or Governmental Entity, including the plaintiffs  
21 or co-defendants in such lawsuits. Any Person or Governmental Entity to whom the  
22 Debtors have incurred an obligation (whether on account of services, purchase, sale of  
23 goods or otherwise), or who has received services from the Debtors, or who has received  
24 money or property from the Debtors, or who has transacted business with the Debtors, or  
25 who has leased equipment or property from or to the Debtors should assume that such  
26 obligation, receipt, transfer or transaction may be reviewed by the Reorganized Debtors

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1 subsequent to the Effective Date and may be the subject of an action after the Effective  
2 Date, whether or not: (a) such Person or Governmental Unit has Filed a proof of Claim  
3 against the Debtors in the Cases; (b) such Person's or Governmental Unit's proof of Claim  
4 has been objected to by the Debtors; (c) such Person's or Governmental Unit's Claim was  
5 included in the Debtors' Schedules; or (d) such Person's or Governmental Unit's scheduled  
6 Claim has been objected to by the Debtors or has been identified by the Debtors as  
7 contingent, unliquidated or disputed.

8       13.5 NO WAIVER OF CLAIMS. NEITHER THE FAILURE TO LIST A CLAIM  
9 IN THE SCHEDULES FILED BY THE DEBTORS, THE FAILURE OF THE DEBTORS  
10 OR ANY OTHER PERSON TO OBJECT TO ANY CLAIM FOR PURPOSES OF  
11 VOTING, THE FAILURE OF THE DEBTORS OR ANY OTHER PERSON TO OBJECT  
12 TO A CLAIM OR ADMINISTRATIVE EXPENSE BEFORE CONFIRMATION OR THE  
13 EFFECTIVE DATE, THE FAILURE OF ANY PERSON TO ASSERT A CLAIM OR  
14 CAUSE OF ACTION BEFORE CONFIRMATION OR THE EFFECTIVE DATE, THE  
15 ABSENCE OF A PROOF OF CLAIM HAVING BEEN FILED WITH RESPECT TO A  
16 CLAIM, NOR ANY ACTION OR INACTION OF THE DEBTORS OR ANY OTHER  
17 PERSON WITH RESPECT TO A CLAIM, OR ADMINISTRATIVE EXPENSE, OTHER  
18 THAN A LEGALLY EFFECTIVE EXPRESS WAIVER OR RELEASE SHALL BE  
19 DEEMED A WAIVER OR RELEASE OF THE RIGHT OF THE REORGANIZED  
20 DEBTORS, BEFORE OR AFTER SOLICITATION OF VOTES ON THE PLAN OR  
21 BEFORE OR AFTER CONFIRMATION OR THE EFFECTIVE DATE TO (A) OBJECT  
22 TO OR EXAMINE SUCH CLAIM OR ADMINISTRATIVE EXPENSE, IN WHOLE OR  
23 IN PART OR (B) RETAIN AND EITHER ASSIGN OR EXCLUSIVELY ASSERT,  
24 PURSUE, PROSECUTE, UTILIZE, OTHERWISE ACT OR OTHERWISE ENFORCE  
25 ANY CLAIM OR CAUSE OF ACTION AGAINST THE HOLDER OF ANY SUCH  
26 CLAIM.

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1 **ARTICLE 14. GENERAL PROVISIONS.**

2 14.1 Notices Under the Plan. Notices, requests, or demands with respect to this  
3 Plan shall be in writing and shall be deemed to have been received within five (5) days of  
4 the date of mailing, provided they are sent by registered mail or certified mail, postage  
5 prepaid, return receipt requested, and:

6 if sent to CPF, addressed to:

7 GALLAGHER & KENNEDY, P.A.  
8 Attn.: Todd A. Burgess  
9 2575 East Camelback Road  
10 Phoenix, Arizona 85016-9225  
11 Facsimile: (602) 530-8500  
12 Email: [todd.burgess@gknet.com](mailto:todd.burgess@gknet.com)

13 14.2 Withholding Taxes/Setoffs. The Reorganized Debtors shall be entitled to  
14 deduct any Federal or State withholding taxes from any payments with respect to Allowed  
15 Claims for wages of any kind. The Reorganized Debtors may, but shall not be required to,  
16 set off or recoup against any Claim, and the payments to be made pursuant to the Plan in  
17 respect of such Claim, any claims of any nature whatsoever the Debtors or the Estates may  
18 have against the holder of such Claim, but neither the failure to do so nor the allowance of  
19 any Claim hereunder shall constitute a waiver or release by the Reorganized Debtors of any  
20 such claim the Debtors may have against such holder.

21 14.3 Committee. On the Effective Date, any Committee appointed in the Case  
22 shall automatically dissolve and the members thereof and the Professional Persons retained  
23 by the Committee in accordance with Section 1103 of the Bankruptcy Code shall be  
24 released and discharged from their respective duties and obligations.

25 14.4 Headings. The headings used in this Plan are inserted for convenience only  
26 and neither shall constitute a portion of this Plan nor in any manner affect the provisions of  
this Plan.

1           14.5 Severability. In the event that the Bankruptcy Court determines, prior to the  
2 Confirmation Date, that any provision of the Plan is invalid, void, or unenforceable, the  
3 Bankruptcy Court shall, with the consent of CPF, but not otherwise, have the power to alter  
4 and interpret such term or provision to make it valid or enforceable to the maximum extent  
5 practicable, consistent with the original purpose of the term or provision held to be invalid,  
6 void, or unenforceable, and such term or provision shall then be applicable as altered or  
7 interpreted. Notwithstanding any such holding, alteration, or interpretation, the remainder  
8 of the terms and provisions of the Plan shall remain in full force and effect and shall in no  
9 way be affected, impaired, or invalidated by such holding, alteration, or interpretation. The  
10 Confirmation Order shall constitute a judicial determination and shall provide that each  
11 term and provision of the Plan, as it may have been altered or interpreted in accordance with  
12 the foregoing, is valid and enforceable pursuant to its terms.

13           14.6 Certain Terminations. On the Effective Date, all instruments evidencing  
14 indebtedness of the Debtors discharged by the Plan shall be deemed canceled, except to the  
15 extent that this Plan provides for the retention of Liens.

16           14.7 Governing Law. Except to the extent that the Bankruptcy Code is applicable,  
17 the rights and obligations arising under this Plan shall be governed by, and construed and  
18 enforced in accordance with, the internal laws of the State of Arizona without regard to its  
19 conflicts of law principles.

20           14.8 Contingent or Unliquidated Claims. The Bankruptcy Court shall fix, liquidate  
21 or estimate the amount of any contingent or unliquidated Claim pursuant to Section 502 of  
22 the Bankruptcy Code. The amount so fixed shall be deemed the allowed amount of such  
23 contingent or unliquidated Claim for purposes of this Plan. In lieu thereof, the Bankruptcy  
24 Court may determine the amount to be reserved for such contingent or unliquidated Claim,  
25 which amount shall be the maximum amount which the holder of such contingent or  
26

1 unliquidated Claim shall be entitled to receive under this Plan if such contingent or  
2 unliquidated Claim is allowed in whole or in part.

3 14.9 Revocation of Plan. CPF reserves and shall have the right to revoke and  
4 withdraw this Plan at any time before Confirmation.

5 14.10 Modification of Plan. CPF reserves and shall have the right to propose  
6 alterations, amendments, or modifications of or to the Plan in writing at any time prior to  
7 the Confirmation Date, in accordance with Section 1127 of the Bankruptcy Code and  
8 Bankruptcy Rule 3019. CPF may alter, amend, or modify the Plan at any time after the  
9 Confirmation Date and before substantial consummation in accordance with Section 1127  
10 of the Bankruptcy Code. A holder of a Claim that has accepted the Plan shall be deemed to  
11 have accepted the Plan, as altered, amended or modified, to the extent, and subject to the  
12 conditions, set forth in Bankruptcy Rule 3019. Without limiting the foregoing, after  
13 Confirmation, CPF may, upon Order from the Bankruptcy Court, in accordance with  
14 Section 1127(b) of the Bankruptcy Code, remedy any defect or omission or reconcile any  
15 inconsistency in this Plan in such manner as may be necessary to carry out the purpose of  
16 this Plan.

17 14.11 Reservation of Rights. Nothing contained herein shall prohibit CPF from  
18 prosecuting or defending any of its rights as may exist on its own behalf before the Effective  
19 Date. If CPF withdraws or revokes the Plan prior to the Confirmation Date, or if  
20 Confirmation of the Plan does not otherwise occur, the Plan shall be deemed null and void.  
21 In such event, nothing contained in the Plan shall be deemed to constitute a waiver or release  
22 of any Claims by or against the Debtors, their Estates, or any other Person, or to prejudice  
23 in any manner, the rights and remedies of the creditors, the Debtors, their Estates, or any  
24 other Person in any further proceedings involving the Debtors or their Estates or any other  
25 Person. The filing of the Plan and or any modifications hereto, and the Plan itself shall not  
26 constitute a waiver by CPF of any rights, remedies, objections, or causes of action it may



1 have or may wish to raise with respect to any matter whatsoever, including, without  
2 limitation, any other plan or plans filed or to be filed in any of the Cases, all of which rights  
3 and objections are hereby reserved.

4 14.12 Exemption from Certain Transfer Taxes. Pursuant to Section 1146(a) of the  
5 Bankruptcy Code, the issuance, transfer or exchange of a security, or the making or delivery  
6 of an instrument of transfer hereunder will not be subject to any stamp, tax, or similar tax.

7 14.13 Injunction. Except as otherwise provided in the Plan or the Confirmation  
8 Order, and except for any actions timely filed pursuant to Section 523 of the Bankruptcy  
9 Code or any Claims declared by the Bankruptcy Court to be non-dischargeable pursuant to  
10 Section 523 of the Bankruptcy Code, as of the Confirmation Date, but subject to the  
11 occurrence of the Effective Date, all Persons who have held, hold or may hold Claims  
12 against the Debtors or their Estates, or Equity Security Interests in the Debtors, are, with  
13 respect to any such Claims or Equity Security Interests, permanently enjoined from and  
14 after the Confirmation Date from: (i) commencing, conducting or continuing in any  
15 manner, directly or indirectly, any suit, action or other proceeding of any kind (including,  
16 without limitation, any proceeding in a judicial, arbitral, administrative or other forum) with  
17 respect to any such Claim against or affecting the Debtors, their Estates or any of their  
18 respective property, or any direct or indirect post-Effective Date transferee of any property  
19 of, or post-Effective Date direct or indirect successor in interest to, any of the foregoing  
20 Persons, solely in their capacity as such transferees or successors in interest, or any property  
21 of any such transferee or successor, solely in such capacity; (ii) enforcing, levying, attaching  
22 (including, without limitation, any pre-judgment attachment), collecting or otherwise  
23 recovering by any manner or means, whether directly or indirectly, with respect to any  
24 judgment, award, decree or order against the Debtors, their Estates or any of their respective  
25 property, or any direct or indirect post-Effective Date transferee of any property of, or post-  
26 Effective Date direct or indirect successor in interest to, any of the foregoing Persons, solely

1 in their capacity as such transferees or successors in interest, or any property of any such  
2 transferee or successor, solely in such capacity; (iii) creating, perfecting or otherwise  
3 enforcing in any manner, directly or indirectly, any encumbrance of any kind against the  
4 Debtors, their Estates or any of their respective property, or any direct or indirect post-  
5 Effective Date transferee of any property of, or post-Effective Date direct or indirect  
6 successor in interest to, any of the foregoing Persons, solely in their capacity as such  
7 transferees or successors in interest, or any property of any such transferee or successor,  
8 solely in such capacity; (iv) asserting initially after the Effective Date any right of setoff,  
9 subrogation, or recoupment of any kind, directly or indirectly, against any obligation due to  
10 the Debtors, their Estates or any of their respective property, or any direct or indirect post-  
11 Effective Date transferee of any property of, or post-Effective Date direct or indirect  
12 successor in interest to, any of the foregoing Persons, solely in their capacity as such  
13 transferees or successors in interest, or any property of any such transferee or successor,  
14 solely in such capacity; and (v) acting or proceeding in any manner, in any place  
15 whatsoever, that does not conform to or comply with the provisions of the Plan to the full  
16 extent permitted by applicable law. By accepting a distribution pursuant to the Plan, each  
17 holder of an Allowed Claim receiving distributions pursuant to the Plan will be deemed to  
18 have specifically consented to the injunctions set forth in this section, and, except as set  
19 forth in this Section, waives any and all claims, causes of action, remedies and objections  
20 of every kind against the Debtors.

21 14.14 Term of Injunctions or Stays. Unless otherwise provided, all injunctions or  
22 stays arising before the Confirmation Date in accordance with Sections 105 or 362 of the  
23 Bankruptcy Code, and in existence on the Confirmation Date, shall remain in full force and  
24 effect until the Effective Date, or such later date as provided under applicable law. For the  
25 avoidance of doubt, this Section 14.13 does not apply to the permanent injunction set forth  
26 in Section 14.12 of the Plan.

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1           14.15 Injunction against Interference with Plan. Upon the entry of the Confirmation  
2 Order, all holders of Claims and Equity Security Interests and other parties in interest,  
3 including the Debtors, along with their respective present or former employees, agents,  
4 officers, directors, or principals, shall be enjoined from taking any actions to interfere with  
5 the implementation or consummation of the Plan.

6           14.16 Exculpation. Except with respect to obligations under the Plan, neither CPF,  
7 nor any of its respective Representatives, (solely in their capacity as such) (each an  
8 “Exculpated Party”), shall have or incur any liability to the Debtors or any of their  
9 Representatives or any holder of a Claim or Equity Security Interest for any act or omission  
10 in connection with, or arising out of: (i) the Case; (ii) the development, negotiation or  
11 confirmation of the Plan; (iii) the consummation of the Plan; or (iv) the administration of  
12 the Plan or property to be distributed pursuant to the Plan, except for fraud, willful  
13 misconduct, recklessness or gross negligence; and, in all respects, each Exculpated Party  
14 shall be entitled to rely upon the advice of counsel with respect to their duties and  
15 responsibilities under the Plan.

16           14.17 Successors and Assigns. The rights and obligations of any Entity named or  
17 referred to in the Plan shall be binding upon and shall inure to the benefit of, the  
18 predecessors, successors, assigns and agents of such Entity.

19 **ARTICLE 15. CONDITIONS PRECEDENT TO EFFECTIVENESS OF PLAN.**

20           15.1 Conditions to the Effective Date. The following shall be conditions to the  
21 occurrence of the Effective Date unless such conditions shall have been duly waived as  
22 provided below:

23           ///

24           ///

1 The Confirmation Order in form and substance acceptable to CPF shall have become  
2 a Final Order, except that CPF reserves the right to cause the Effective Date to occur  
3 notwithstanding the pendency of an appeal of the Confirmation Order.

4 DATED: March 27, 2017.

5 CPF VASEO ASSOCIATES, LLC

6  
7 By: /s/Robert Flaxman  
8 Name: Robert Flaxman  
9 Its: Authorized Representative

10 PREPARED AND SUBMITTED ON BEHALF OF CPF VASEO ASSOCIATES, LLC  
11 BY:

12 GALLAGHER & KENNEDY, P.A.

13 By: /s/Todd A. Burgess (019013)  
14 John R. Clemency, Esq.  
15 Todd A. Burgess, Esq.  
16 Lindsy M. Weber, Esq.  
17 2575 East Camelback Road  
18 Phoenix, Arizona 85016-9225  
19 Telephone: (602) 530-8000  
20 Facsimile: (602) 530-8500  
21 [john.clemency@gknet.com](mailto:john.clemency@gknet.com)  
22 [todd.burgess@gknet.com](mailto:todd.burgess@gknet.com)  
23 [lindsy.weber@gknet.com](mailto:lindsy.weber@gknet.com)

24 Attorneys for CPF Vaseo Associates, LLC  
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**Schedule 8.5**  
**Post-Confirmation Management**

From and after the Effective Date, CPF Vaseo Associates, LLC shall be the sole Member and Manager of each of the Reorganized Debtors.

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**Schedule 9.2  
(Executory Contracts and Unexpired Leases to be Assumed)**

- Arizona State Land Department Commercial Lease No. 003-052415-99, as amended
- Arizona State Land Department Commercial Lease No. 003-116780-99, as amended
- Property Development Agreement

**SUBJECT TO AMENDMENT BY THE PLAN PROPONENT PRIOR TO  
CONFIRMATION AND AS OTHERWISE PROVIDED IN THE PLAN**

Gallagher & Kennedy, P.A.  
2575 East Camelback Road  
Phoenix, Arizona 85016-9225  
(602) 530-8000

**EXHIBIT B**  
**INTENTIONALLY OMITTED**

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Gallagher & Kennedy, P.A.  
2575 East Camelback Road  
Phoenix, Arizona 85016-9225  
(602) 530-8000

**EXHIBIT C**  
**INTENTIONALLY OMITTED**

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04/07/17



Gallagher & Kennedy, P.A.  
2575 East Camelback Road  
Phoenix, Arizona 85016-9225  
(602) 530-8000

**EXHIBIT D**  
**(EP Claims Register)**

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# District of Arizona Claims Register

[2:16-bk-05493-MCW EPICENTER PARTNERS L.L.C.](#)

**Judge:** Madeleine C. Wanslee

**Chapter:** 11

**Office:** Phoenix

**Last Date to file claims:** 10/20/2016

**Trustee:**

**Last Date to file (Govt):**

<b>Creditor:</b> (14148629) Maricopa County Treasurer c/o Lori A. Lewis 222 North Central Avenue, Suite 1100 Phoenix, AZ 85004-2206	<b>Claim No: 1</b> Original Filed Date: 07/11/2016 Original Entered Date: 07/11/2016 Last Amendment Filed: 09/15/2016 Last Amendment Entered: 09/15/2016	<b>Status:</b> Filed by: CR Entered by: LORI A LEWIS Modified:												
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%;"><u>Amount</u></td> <td style="width: 10%;">claimed:</td> <td style="width: 15%;">\$122234.52</td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> </tr> <tr> <td><u>Secured</u></td> <td>claimed:</td> <td>\$122234.52</td> <td></td> <td></td> <td></td> </tr> </table>			<u>Amount</u>	claimed:	\$122234.52				<u>Secured</u>	claimed:	\$122234.52			
<u>Amount</u>	claimed:	\$122234.52												
<u>Secured</u>	claimed:	\$122234.52												
<b>History:</b> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%;"><a href="#">Details</a></td> <td style="width: 5%;"></td> <td style="width: 10%;"><a href="#">1-1</a></td> <td style="width: 15%;">07/11/2016</td> <td style="width: 60%;">Claim #1 filed by Maricopa County Treasurer, Amount claimed: \$116324.98 (LEWIS, LORI )</td> </tr> <tr> <td><a href="#">Details</a></td> <td></td> <td><a href="#">1-2</a></td> <td>09/15/2016</td> <td>Amended Claim #1 filed by Maricopa County Treasurer, Amount claimed: \$122234.52 (LEWIS, LORI )</td> </tr> </table>			<a href="#">Details</a>		<a href="#">1-1</a>	07/11/2016	Claim #1 filed by Maricopa County Treasurer, Amount claimed: \$116324.98 (LEWIS, LORI )	<a href="#">Details</a>		<a href="#">1-2</a>	09/15/2016	Amended Claim #1 filed by Maricopa County Treasurer, Amount claimed: \$122234.52 (LEWIS, LORI )		
<a href="#">Details</a>		<a href="#">1-1</a>	07/11/2016	Claim #1 filed by Maricopa County Treasurer, Amount claimed: \$116324.98 (LEWIS, LORI )										
<a href="#">Details</a>		<a href="#">1-2</a>	09/15/2016	Amended Claim #1 filed by Maricopa County Treasurer, Amount claimed: \$122234.52 (LEWIS, LORI )										
<b>Description:</b> (1-1) 2013-2015 and Estimated 2016 Property Taxes (1-2) 2013-2016 Property Taxes														
<b>Remarks:</b>														

<b>Creditor:</b> (14074304) Hilgart Wilson, LLC 2141 E. Highland Ave. Ste. 250 Phoenix AZ 85016	<b>Claim No: 2</b> Original Filed Date: 07/21/2016 Original Entered Date: 07/21/2016	<b>Status:</b> Filed by: CR Entered by: claimuser Modified:						
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%;"><u>Amount</u></td> <td style="width: 10%;">claimed:</td> <td style="width: 15%;">\$219149.16</td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> </tr> </table>			<u>Amount</u>	claimed:	\$219149.16			
<u>Amount</u>	claimed:	\$219149.16						
<b>History:</b> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%;"><a href="#">Details</a></td> <td style="width: 5%;"></td> <td style="width: 10%;"><a href="#">2-1</a></td> <td style="width: 15%;">07/21/2016</td> <td style="width: 60%;">Claim #2 filed by Hilgart Wilson, LLC, Amount claimed: \$219149.16 (claimuser)</td> </tr> </table>			<a href="#">Details</a>		<a href="#">2-1</a>	07/21/2016	Claim #2 filed by Hilgart Wilson, LLC, Amount claimed: \$219149.16 (claimuser)	
<a href="#">Details</a>		<a href="#">2-1</a>	07/21/2016	Claim #2 filed by Hilgart Wilson, LLC, Amount claimed: \$219149.16 (claimuser)				
<b>Description:</b>								
<b>Remarks:</b>								

<b>Creditor:</b> (14074296) <a href="#">History</a> CITY OF PHOENIX-WATER 251 W WASHINGTON ST 3RD FLOOR PHOENIX AZ 85003	<b>Claim No: 3</b> Original Filed Date: 07/25/2016 Original Entered Date: 07/25/2016	<b>Status:</b> Filed by: CR Entered by: JULIE L. COLLINS Modified:						
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%;"><u>Amount</u></td> <td style="width: 10%;">claimed:</td> <td style="width: 15%;">\$54618.11</td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> </tr> </table>			<u>Amount</u>	claimed:	\$54618.11			
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<a href="#">Details</a>		<a href="#">3-1</a>	07/25/2016	Claim #3 filed by CITY OF PHOENIX-WATER, Amount claimed: \$54618.11 (COLLINS, JULIE )				
<b>Description:</b> (3-1) MUNICIPAL CHARGES								
<b>Remarks:</b> (3-1) UNPAID BILLS								

<b>Creditor:</b> (14074296) <a href="#">History</a> CITY OF PHOENIX-WATER	<b>Claim No: 4</b> Original Filed Date: 07/25/2016	<b>Status:</b> Filed by: CR
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251 W WASHINGTON ST 3RD FLOOR PHOENIX AZ 85003	Original Entered Date: 07/25/2016	Entered by: JULIE L. COLLINS Modified:
Amount claimed: \$48.17		
History:		
<a href="#">Details</a>	<a href="#">4-1</a>	07/25/2016 Claim #4 filed by CITY OF PHOENIX-WATER, Amount claimed: \$48.17 (COLLINS, JULIE )
Description: (4-1) MUNICIPAL CLAIMS		
Remarks: (4-1) OUTSTANDING CHARGES		

Creditor: (14185025) CivTech Inc. 10605 N. Hayden Road, Suite 140 Scottsdale, AZ 85260	<b>Claim No: 5</b> Original Filed Date: 08/05/2016 Original Entered Date: 08/05/2016	Status: Filed by: CR Entered by: claimuser Modified:
Amount claimed: \$45743.46		
History:		
<a href="#">Details</a>	<a href="#">5-1</a>	08/05/2016 Claim #5 filed by CivTech Inc., Amount claimed: \$45743.46 (claimuser)
Description:		
Remarks: (5-1) Account Number (last 4 digits):0780		

Creditor: (14074302) <a href="#">History</a> David Evans & Associates 2100 SW River Parkway Portland, Oregon 97201	<b>Claim No: 6</b> Original Filed Date: 08/29/2016 Original Entered Date: 08/30/2016	Status: Filed by: CR Entered by: Ann Marie Ventura Modified:
Amount claimed: \$40867.85		
History:		
<a href="#">Details</a>	<a href="#">6-1</a>	08/29/2016 Claim #6 filed by David Evans & Associates, Amount claimed: \$40867.85 (Ventura, Ann Marie )
Description:		
Remarks:		

Creditor: (14230001) Wilson & Company Inc. 4900 Lang Ave NE Albuquerque, NM 87109	<b>Claim No: 7</b> Original Filed Date: 09/10/2016 Original Entered Date: 09/10/2016	Status: Filed by: CR Entered by: claimuser Modified:
Amount claimed: \$5716.08		
History:		
<a href="#">Details</a>	<a href="#">7-1</a>	09/10/2016 Claim #7 filed by Wilson & Company Inc., Amount claimed: \$5716.08 (claimuser)
Description:		
Remarks:		

Creditor: (14074315) Wilson & Company 5694 Mission Center Rd. Ste. 602-147 San Diego CA 92108	<b>Claim No: 8</b> Original Filed Date: 09/10/2016 Original Entered Date: 09/10/2016	Status: Filed by: CR Entered by: claimuser Modified:
Amount claimed: \$5716.08		
History:		

<a href="#">Details</a>	<a href="#">8-1</a>	09/10/2016	Claim #8 filed by Wilson & Company, Amount claimed: \$5716.08 (claimuser)
<i>Description:</i>			
<i>Remarks:</i>			

<i>Creditor:</i> (14110926) Desert Ridge Community Association c/o Jeffrey Gross/Michael Zimmerman Berry Riddell LLC 6750 East Camelback Rd., Suite 100 Scottsdale, AZ 85251	<b>Claim No: 9</b> <i>Original Filed Date:</i> 09/14/2016 <i>Original Entered Date:</i> 09/14/2016 <i>Last Amendment Filed:</i> 10/28/2016 <i>Last Amendment Entered:</i> 10/28/2016	<i>Status:</i> <i>Filed by:</i> CR <i>Entered by:</i> MICHAEL W. ZIMMERMAN <i>Modified:</i>
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<u>Amount</u> claimed: \$299047.86		
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<i>History:</i>			
<a href="#">Details</a>	<a href="#">9-1</a>	09/14/2016	Claim #9 filed by Desert Ridge Community Association, Amount claimed: \$328302.60 (ZIMMERMAN, MICHAEL )
<a href="#">Details</a>	<a href="#">9-2</a>	10/28/2016	Amended Claim #9 filed by Desert Ridge Community Association, Amount claimed: \$299047.86 (ZIMMERMAN, MICHAEL )

<i>Description:</i>			
<i>Remarks:</i>			

<i>Creditor:</i> (14256551) CPF Vaseo Associates, LLC c/o Gallagher & Kennedy 2575 E. Camelback Rd, Suite 1100 Phoenix, AZ 85016	<b>Claim No: 10</b> <i>Original Filed Date:</i> 09/30/2016 <i>Original Entered Date:</i> 09/30/2016	<i>Status:</i> <i>Filed by:</i> CR <i>Entered by:</i> LINDSI M. WEBER <i>Modified:</i>
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<u>Amount</u> claimed: \$58527469.03		
<u>Secured</u> claimed: \$54009500.00		

<i>History:</i>			
<a href="#">Details</a>	<a href="#">10-1</a>	09/30/2016	Claim #10 filed by CPF Vaseo Associates, LLC, Amount claimed: \$58527469.03 (WEBER, LINDSI )

<i>Description:</i> (10-1) See Attached Addendum			
<i>Remarks:</i>			

<i>Creditor:</i> (14272515) Kutak Rock LLP 1650 Farnam Street Omaha NE 68102	<b>Claim No: 11</b> <i>Original Filed Date:</i> 10/11/2016 <i>Original Entered Date:</i> 10/13/2016	<i>Status:</i> <i>Filed by:</i> CR <i>Entered by:</i> LaTosha Tripp <i>Modified:</i>
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<u>Amount</u> claimed: \$53138.66		
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<i>History:</i>			
<a href="#">Details</a>	<a href="#">11-1</a>	10/11/2016	Claim #11 filed by Kutak Rock LLP, Amount claimed: \$53138.66 (Tripp, LaTosha )

<i>Description:</i>			
<i>Remarks:</i>			

<i>Creditor:</i> (14074311) <a href="#">History</a> Spray Systems Environmental Alan R. Costello 2999 N. 44th Street, Suite 600 Phoenix AZ 85018	<b>Claim No: 12</b> <i>Original Filed Date:</i> 10/17/2016 <i>Original Entered Date:</i> 10/17/2016 <i>Last Amendment Filed:</i> 10/17/2016 <i>Last Amendment Entered:</i> 10/17/2016	<i>Status:</i> <i>Filed by:</i> CR <i>Entered by:</i> ALAN R. COSTELLO <i>Modified:</i>
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<u>Amount</u> claimed: \$2546.00		
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History:

<a href="#">Details</a>	<a href="#">12-1</a>	10/17/2016	Claim #12 filed by Spray Systems Environmental, Amount claimed: \$2546.00 (COSTELLO, ALAN )
<a href="#">Details</a>	<a href="#">12-2</a>	10/17/2016	Amended Claim #12 filed by Spray Systems Environmental, Amount claimed: \$2546.00 (COSTELLO, ALAN )

Description: (12-1) Services Performed

Remarks: (12-2) Amended to add POC

<b>Creditor:</b> (14074294) Beus Gilbert PLLC 701 N 44th St. Phoenix AZ 85008	<b>Claim No: 13</b> Original Filed Date: 10/19/2016 Original Entered Date: 10/19/2016	<b>Status:</b> Filed by: CR Entered by: claimuser Modified:
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Amount claimed: \$801413.99

History:

<a href="#">Details</a>	<a href="#">13-1</a>	10/19/2016	Claim #13 filed by Beus Gilbert PLLC, Amount claimed: \$801413.99 (claimuser)
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Description:

Remarks:

<b>Creditor:</b> (14247820) Emerald Equities, LLC c/o David D. Cleary Greenberg Traurig, LLP 2375 E. Camelback Road, Ste. 700 Phoenix AZ 85016	<b>Claim No: 14</b> Original Filed Date: 10/20/2016 Original Entered Date: 10/20/2016	<b>Status:</b> Filed by: CR Entered by: DAVID D. CLEARY Modified:
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No amounts claimed

History:

<a href="#">Details</a>	<a href="#">14-1</a>	10/20/2016	Claim #14 filed by Emerald Equities, LLC, Amount claimed: (CLEARY, DAVID )
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Description:

Remarks:

<b>Creditor:</b> (14281733) State of Arizona, through Arizona State Land Dept c/o Dean C. Waldt, Esq. Ballard Spahr LLP 1 E. Washington Street, Suite 2300 Phoenix, AZ 85004	<b>Claim No: 15</b> Original Filed Date: 10/20/2016 Original Entered Date: 10/20/2016	<b>Status:</b> Filed by: AT Entered by: DEAN C WALDT Modified:
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No amounts claimed

History:

<a href="#">Details</a>	<a href="#">15-1</a>	10/20/2016	Claim #15 filed by State of Arizona, through Arizona State Land Dept, Amount claimed: (WALDT, DEAN )
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Description: (15-1) Lease

Remarks:

<b>Creditor:</b> (14281940) Constantino Flores, Ch. 7 Trustee for the estate of GDG Partners, LLC Case 2:12-bk-09825-BKM P.O. Box 511 Phoenix, AZ 85001	<b>Claim No: 16</b> Original Filed Date: 10/20/2016 Original Entered Date: 10/20/2016	<b>Status:</b> Filed by: CR Entered by: DAWN M. MAGUIRE Modified:
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Amount claimed: \$567000.00

<b>History:</b>			
<a href="#">Details</a>	<a href="#">16-1</a>	10/20/2016	Claim #16 filed by Constantino Flores, Ch. 7 Trustee, Amount claimed: \$5670000.00 (MAGUIRE, DAWN )
<b>Description:</b> (16-1) Pending Litigation - 2:14-ap-00293-BKM			
<b>Remarks:</b>			

### Claims Register Summary

**Case Name:** EPICENTER PARTNERS L.L.C.  
**Case Number:** 2:16-bk-05493-MCW  
**Chapter:** 11  
**Date Filed:** 05/16/2016  
**Total Number Of Claims:** 16

<b>Total Amount Claimed*</b>	\$65847708.97
<b>Total Amount Allowed*</b>	

\*Includes general unsecured claims

The values are reflective of the data entered. Always refer to claim documents for actual amounts.

	Claimed	Allowed
<b>Secured</b>	\$54131734.52	
<b>Priority</b>		
<b>Administrative</b>		

<b>PACER Service Center</b>			
<b>Transaction Receipt</b>			
02/06/2017 15:39:17			
<b>PACER Login:</b>	gk0012:2555224:0	<b>Client Code:</b>	27539-0001 taburgess
<b>Description:</b>	Claims Register	<b>Search Criteria:</b>	2:16-bk-05493-MCW Filed or Entered From: 1/1/1977 Filed or Entered To: 2/6/2017
<b>Billable Pages:</b>	2	<b>Cost:</b>	0.20

Gallagher & Kennedy, P.A.  
2575 East Camelback Road  
Phoenix, Arizona 85016-9225  
(602) 530-8000

**EXHIBIT E**  
**(GMF Claims Register)**

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5940659v1/27539-0001  
04/07/17

# District of Arizona Claims Register

[2:16-bk-05494-MCW GRAY MEYER FANNIN LLC](#)

**Judge:** Madeleine C. Wanslee

**Chapter:** 11

**Office:** Phoenix

**Last Date to file claims:**

**Trustee:**

**Last Date to file (Govt):**

<b>Creditor:</b> (14256575) CPF Vaseo Associates, LLC c/o Gallagher & Kennedy 2575 E. Camelback Rd, Suite 1100 Phoenix, AZ 85016		<b>Claim No: 1</b> <i>Original Filed</i> Date: 09/30/2016 <i>Original Entered</i> Date: 09/30/2016	<b>Status:</b> Filed by: CR Entered by: LINDSI M. WEBER Modified:		
<u>Amount</u>	claimed:	\$58527469.03			
<u>Secured</u>	claimed:	\$54009500.00			
<b>History:</b>					
<a href="#">Details</a>		<a href="#">1-1</a>	09/30/2016	Claim #1 filed by CPF Vaseo Associates, LLC, Amount claimed: \$58527469.03 (WEBER, LINDSI )	
<b>Description:</b> (1-1) See Attached Addendum					
<b>Remarks:</b>					

<b>Creditor:</b> (14272516) Kutak Rock LLP 1650 Farnam Street Omaha NE 68102		<b>Claim No: 2</b> <i>Original Filed</i> Date: 10/11/2016 <i>Original Entered</i> Date: 10/13/2016	<b>Status:</b> Filed by: CR Entered by: LaTosha Tripp Modified:		
<u>Amount</u>	claimed:	\$53138.66			
<b>History:</b>					
<a href="#">Details</a>		<a href="#">2-1</a>	10/11/2016	Claim #2 filed by Kutak Rock LLP, Amount claimed: \$53138.66 (Tripp, LaTosha )	
<b>Description:</b>					
<b>Remarks:</b>					

<b>Creditor:</b> (14282929) Lewis Roca Rothgerber Christie LLP 201 E. Washington Street, Suite 1200 Phoenix, AZ 85004		<b>Claim No: 3</b> <i>Original Filed</i> Date: 10/21/2016 <i>Original Entered</i> Date: 10/21/2016	<b>Status:</b> Filed by: CR Entered by: SCOTT K BROWN Modified:		
<u>Amount</u>	claimed:	\$731814.49			
<b>History:</b>					
<a href="#">Details</a>		<a href="#">3-1</a>	10/21/2016	Claim #3 filed by Lewis Roca Rothgerber Christie LLP, Amount claimed: \$731814.49 (BROWN, SCOTT )	
<b>Description:</b> (3-1) Legal Representation					
<b>Remarks:</b>					



### Claims Register Summary

**Case Name:** GRAY MEYER FANNIN LLC  
**Case Number:** 2:16-bk-05494-MCW  
**Chapter:** 11  
**Date Filed:** 05/16/2016  
**Total Number Of Claims:** 3

<b>Total Amount Claimed*</b>	\$59312422.18
<b>Total Amount Allowed*</b>	

\*Includes general unsecured claims

The values are reflective of the data entered. Always refer to claim documents for actual amounts.

	Claimed	Allowed
<b>Secured</b>	\$54009500.00	
<b>Priority</b>		
<b>Administrative</b>		

<b>PACER Service Center</b>			
<b>Transaction Receipt</b>			
02/06/2017 15:40:11			
<b>PACER Login:</b>	gk0012:2555224:0	<b>Client Code:</b>	27539-0001 taburgess
<b>Description:</b>	Claims Register	<b>Search Criteria:</b>	2:16-bk-05494-MCW Filed or Entered From: 1/1/1977 Filed or Entered To: 2/6/2017
<b>Billable Pages:</b>	1	<b>Cost:</b>	0.10

Gallagher & Kennedy, P.A.  
2575 East Camelback Road  
Phoenix, Arizona 85016-9225  
(602) 530-8000

**EXHIBIT F**  
**(SDLI Claims Register)**

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5940659v1/27539-0001  
04/07/17

# District of Arizona Claims Register

[2:16-bk-07659-MCW SONORAN DESERT LAND INVESTORS LLC](#)

**Judge:** Madeleine C. Wanslee      **Chapter:** 11  
**Office:** Phoenix      **Last Date to file claims:**  
**Trustee:**      **Last Date to file (Govt):**

<b>Creditor:</b> (14159892) Maricopa County Treasurer c/o Lori A. Lewis 222 North Central Avenue, Suite 1100 Phoenix, AZ 85004-2206	<b>Claim No: 1</b> <i>Original Filed Date:</i> 07/19/2016 <i>Original Entered Date:</i> 07/19/2016 <i>Last Amendment Filed:</i> 09/07/2016 <i>Last Amendment Entered:</i> 09/07/2016	<b>Status:</b> Filed by: CR Entered by: LORI A LEWIS Modified:												
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%;"><u>Amount</u></td> <td style="width: 10%;">claimed:</td> <td style="width: 15%;">\$127557.52</td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> </tr> <tr> <td><u>Secured</u></td> <td>claimed:</td> <td>\$127557.52</td> <td></td> <td></td> <td></td> </tr> </table>			<u>Amount</u>	claimed:	\$127557.52				<u>Secured</u>	claimed:	\$127557.52			
<u>Amount</u>	claimed:	\$127557.52												
<u>Secured</u>	claimed:	\$127557.52												
<b>History:</b> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%;"><a href="#">Details</a></td> <td style="width: 5%;"></td> <td style="width: 10%;"><a href="#">1-1</a></td> <td style="width: 15%;">07/19/2016</td> <td>Claim #1 filed by Maricopa County Treasurer, Amount claimed: \$96367.47 (LEWIS, LORI )</td> </tr> <tr> <td><a href="#">Details</a></td> <td></td> <td><a href="#">1-2</a></td> <td>09/07/2016</td> <td>Amended Claim #1 filed by Maricopa County Treasurer, Amount claimed: \$127557.52 (LEWIS, LORI )</td> </tr> </table>			<a href="#">Details</a>		<a href="#">1-1</a>	07/19/2016	Claim #1 filed by Maricopa County Treasurer, Amount claimed: \$96367.47 (LEWIS, LORI )	<a href="#">Details</a>		<a href="#">1-2</a>	09/07/2016	Amended Claim #1 filed by Maricopa County Treasurer, Amount claimed: \$127557.52 (LEWIS, LORI )		
<a href="#">Details</a>		<a href="#">1-1</a>	07/19/2016	Claim #1 filed by Maricopa County Treasurer, Amount claimed: \$96367.47 (LEWIS, LORI )										
<a href="#">Details</a>		<a href="#">1-2</a>	09/07/2016	Amended Claim #1 filed by Maricopa County Treasurer, Amount claimed: \$127557.52 (LEWIS, LORI )										
<b>Description:</b> (1-1) 2015 and Estimated 2016 Real Property Taxes (1-2) 2015 and 2016 Real Property Taxes														
<b>Remarks:</b>														

<b>Creditor:</b> (14244475) <a href="#">History</a> COHEN DOWD QUIGLEY PC C/O DANIEL G. DOWD 2425 EAST CAMELBACK ROAD, SUITE 1100 PHOENIX, ARIZONA 85016	<b>Claim No: 2</b> <i>Original Filed Date:</i> 09/29/2016 <i>Original Entered Date:</i> 09/29/2016 <i>Last Amendment Filed:</i> 09/30/2016 <i>Last Amendment Entered:</i> 09/30/2016	<b>Status:</b> Filed by: CR Entered by: DANIEL GARFIELD DOWD Modified:															
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%;"><u>Amount</u></td> <td style="width: 10%;">claimed:</td> <td style="width: 15%;">\$406625.55</td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> </tr> </table>			<u>Amount</u>	claimed:	\$406625.55												
<u>Amount</u>	claimed:	\$406625.55															
<b>History:</b> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%;"><a href="#">Details</a></td> <td style="width: 5%;"></td> <td style="width: 10%;"><a href="#">2-1</a></td> <td style="width: 15%;">09/29/2016</td> <td>Claim #2 filed by COHEN DOWD QUIGLEY PC, Amount claimed: \$406625.55 (DOWD, DANIEL )</td> </tr> <tr> <td><a href="#">Details</a></td> <td></td> <td><a href="#">2-2</a></td> <td>09/30/2016</td> <td>Amended Claim #2 filed by COHEN DOWD QUIGLEY PC, Amount claimed: \$406625.55 (DOWD, DANIEL )</td> </tr> <tr> <td><a href="#">Details</a></td> <td></td> <td><a href="#">2-3</a></td> <td>09/30/2016</td> <td>Amended Claim #2 filed by COHEN DOWD QUIGLEY PC, Amount claimed: \$406625.55 (DOWD, DANIEL )</td> </tr> </table>			<a href="#">Details</a>		<a href="#">2-1</a>	09/29/2016	Claim #2 filed by COHEN DOWD QUIGLEY PC, Amount claimed: \$406625.55 (DOWD, DANIEL )	<a href="#">Details</a>		<a href="#">2-2</a>	09/30/2016	Amended Claim #2 filed by COHEN DOWD QUIGLEY PC, Amount claimed: \$406625.55 (DOWD, DANIEL )	<a href="#">Details</a>		<a href="#">2-3</a>	09/30/2016	Amended Claim #2 filed by COHEN DOWD QUIGLEY PC, Amount claimed: \$406625.55 (DOWD, DANIEL )
<a href="#">Details</a>		<a href="#">2-1</a>	09/29/2016	Claim #2 filed by COHEN DOWD QUIGLEY PC, Amount claimed: \$406625.55 (DOWD, DANIEL )													
<a href="#">Details</a>		<a href="#">2-2</a>	09/30/2016	Amended Claim #2 filed by COHEN DOWD QUIGLEY PC, Amount claimed: \$406625.55 (DOWD, DANIEL )													
<a href="#">Details</a>		<a href="#">2-3</a>	09/30/2016	Amended Claim #2 filed by COHEN DOWD QUIGLEY PC, Amount claimed: \$406625.55 (DOWD, DANIEL )													
<b>Description:</b> (2-1) Legal Services Rendered (2-2) Legal Services Rendered (2-3) Legal Services Rendered																	
<b>Remarks:</b>																	

<b>Creditor:</b> (14272521) KUTAK ROCK LLP 1650 FARNAM STREET OMAHA, NE 68102	<b>Claim No: 3</b> <i>Original Filed Date:</i> 10/11/2016 <i>Original Entered Date:</i> 10/13/2016	<b>Status:</b> Filed by: CR Entered by: Sharon Leary Modified:						
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%;"><u>Amount</u></td> <td style="width: 10%;">claimed:</td> <td style="width: 15%;">\$79044.82</td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> </tr> </table>			<u>Amount</u>	claimed:	\$79044.82			
<u>Amount</u>	claimed:	\$79044.82						
<b>History:</b> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%;"><a href="#">Details</a></td> <td style="width: 5%;"></td> <td style="width: 10%;"><a href="#">3-1</a></td> <td style="width: 15%;">10/11/2016</td> <td>Claim #3 filed by KUTAK ROCK LLP, Amount claimed: \$79044.82 (Leary, Sharon )</td> </tr> </table>			<a href="#">Details</a>		<a href="#">3-1</a>	10/11/2016	Claim #3 filed by KUTAK ROCK LLP, Amount claimed: \$79044.82 (Leary, Sharon )	
<a href="#">Details</a>		<a href="#">3-1</a>	10/11/2016	Claim #3 filed by KUTAK ROCK LLP, Amount claimed: \$79044.82 (Leary, Sharon )				

<i>Description:</i>
<i>Remarks:</i>

<i>Creditor:</i> (14279683) Emerald Equities, LLC c/o Greenberg Traurig, LLP Attn: Nicole M. Goodwin 2375 E. Camelback Road, Ste. 700 Phoenix AZ 85016	<b>Claim No: 4</b> <i>Original Filed Date:</i> 10/20/2016 <i>Original Entered Date:</i> 10/20/2016	<i>Status:</i> <i>Filed by:</i> CR <i>Entered by:</i> DAVID D. CLEARY <i>Modified:</i>
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*No amounts claimed*

*History:*

<a href="#">Details</a>	<a href="#">4-1</a>	10/20/2016	Claim #4 filed by Emerald Equities, LLC, Amount claimed: (CLEARY, DAVID )
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<i>Description:</i>
<i>Remarks:</i>

<i>Creditor:</i> (14281778) CPF Vaseo Associates, LLC c/o Gallagher & Kennedy 2575 E. Camelback, Suite 1100 Phoenix, AZ 85016	<b>Claim No: 5</b> <i>Original Filed Date:</i> 10/20/2016 <i>Original Entered Date:</i> 10/20/2016	<i>Status:</i> <i>Filed by:</i> CR <i>Entered by:</i> LINDSI M. WEBER <i>Modified:</i>
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<u>Amount</u>	<u>claimed:</u>	\$30572496.22		
<u>Secured</u>	<u>claimed:</u>	\$30572496.22		

*History:*

<a href="#">Details</a>	<a href="#">5-1</a>	10/20/2016	Claim #5 filed by CPF Vaseo Associates, LLC, Amount claimed: \$30572496.22 (WEBER, LINDSI )
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<i>Description:</i>
<i>Remarks:</i>

### Claims Register Summary

**Case Name:** SONORAN DESERT LAND INVESTORS LLC

**Case Number:** 2:16-bk-07659-MCW

**Chapter:** 11

**Date Filed:** 07/06/2016

**Total Number Of Claims:** 5

<b>Total Amount Claimed*</b>	\$31185724.11
<b>Total Amount Allowed*</b>	

\*Includes general unsecured claims

**The values are reflective of the data entered. Always refer to claim documents for actual amounts.**

	Claimed	Allowed
<b>Secured</b>	\$30700053.74	
<b>Priority</b>		
<b>Administrative</b>		

<b>PACER Service Center</b>			
<b>Transaction Receipt</b>			
02/06/2017 15:40:44			
<b>PACER Login:</b>	gk0012:2555224:0	<b>Client Code:</b>	27539-0001 taburgess
<b>Description:</b>	Claims Register	<b>Search Criteria:</b>	2:16-bk-07659-MCW Filed or Entered From: 1/1/1977 Filed or Entered To: 2/6/2017
<b>Billable Pages:</b>	1	<b>Cost:</b>	0.10

Gallagher & Kennedy, P.A.  
2575 East Camelback Road  
Phoenix, Arizona 85016-9225  
(602) 530-8000

**EXHIBIT G**  
**(GPDR II Claims Register)**

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5940659v1/27539-0001  
04/07/17

# District of Arizona Claims Register

[2:16-bk-07661-MCW GRAY PHOENIX DESERT RIDGE II LLC](#)

**Judge:** Madeleine C. Wanslee      **Chapter:** 11  
**Office:** Phoenix      **Last Date to file claims:**  
**Trustee:**      **Last Date to file (Govt):**

<b>Creditor:</b> (14281686) <a href="#">History</a> State of Arizona, through Arizona State Land Dept c/o Dean C. Waldt, Esq. Ballard Spahr LLP 1 E. Washington Street, Suite 2300 Phoenix, AZ 85004	<b>Claim No: 1</b> Original Filed Date: 10/20/2016 Original Entered Date: 10/20/2016	<b>Status:</b> Filed by: CR Entered by: DEAN C WALDT Modified:					
No amounts claimed <input type="checkbox"/>							
<b>History:</b> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%;"><a href="#">Details</a></td> <td style="width: 5%;"></td> <td style="width: 10%;"><a href="#">1-1</a></td> <td style="width: 15%;">10/20/2016</td> <td>Claim #1 filed by State of Arizona, through Arizona State Land Dept, Amount claimed: (WALDT, DEAN )</td> </tr> </table>			<a href="#">Details</a>		<a href="#">1-1</a>	10/20/2016	Claim #1 filed by State of Arizona, through Arizona State Land Dept, Amount claimed: (WALDT, DEAN )
<a href="#">Details</a>		<a href="#">1-1</a>	10/20/2016	Claim #1 filed by State of Arizona, through Arizona State Land Dept, Amount claimed: (WALDT, DEAN )			
<b>Description:</b> (1-1) Lease							
<b>Remarks:</b>							

<b>Creditor:</b> (14281884) CPF Vaseo Associates, LLC c/o Gallagher & Kennedy 2575 E. Camelback, Suite 1100 Phoenix, AZ 85016	<b>Claim No: 2</b> Original Filed Date: 10/20/2016 Original Entered Date: 10/20/2016	<b>Status:</b> Filed by: CR Entered by: LINDSI M. WEBER Modified:												
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%;">Amount</td> <td style="width: 10%;">claimed:</td> <td style="width: 15%;">\$30572496.22</td> <td style="width: 5%;"></td> <td style="width: 5%;"></td> <td style="width: 5%;"></td> </tr> <tr> <td>Secured</td> <td>claimed:</td> <td>\$30572496.22</td> <td></td> <td></td> <td></td> </tr> </table>	Amount	claimed:	\$30572496.22				Secured	claimed:	\$30572496.22					
Amount	claimed:	\$30572496.22												
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<b>History:</b> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%;"><a href="#">Details</a></td> <td style="width: 5%;"></td> <td style="width: 10%;"><a href="#">2-1</a></td> <td style="width: 15%;">10/20/2016</td> <td>Claim #2 filed by CPF Vaseo Associates, LLC, Amount claimed: \$30572496.22 (WEBER, LINDSI )</td> </tr> </table>			<a href="#">Details</a>		<a href="#">2-1</a>	10/20/2016	Claim #2 filed by CPF Vaseo Associates, LLC, Amount claimed: \$30572496.22 (WEBER, LINDSI )							
<a href="#">Details</a>		<a href="#">2-1</a>	10/20/2016	Claim #2 filed by CPF Vaseo Associates, LLC, Amount claimed: \$30572496.22 (WEBER, LINDSI )										
<b>Description:</b>														
<b>Remarks:</b>														

<b>Creditor:</b> (14341976) Internal Revenue Service P.O. Box 7346 Philadelphia, PA 19101-7346	<b>Claim No: 3</b> Original Filed Date: 12/13/2016 Original Entered Date: 12/13/2016	<b>Status:</b> Filed by: CR Entered by: PAUL A LOPEZ Modified:																		
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%;">Amount</td> <td style="width: 10%;">claimed:</td> <td style="width: 15%;">\$300.00</td> <td style="width: 5%;"></td> <td style="width: 5%;"></td> <td style="width: 5%;"></td> </tr> <tr> <td>Secured</td> <td>claimed:</td> <td>\$0.00</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Priority</td> <td>claimed:</td> <td>\$0.00</td> <td></td> <td></td> <td></td> </tr> </table>	Amount	claimed:	\$300.00				Secured	claimed:	\$0.00				Priority	claimed:	\$0.00					
Amount	claimed:	\$300.00																		
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Priority	claimed:	\$0.00																		
<b>History:</b> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%;"><a href="#">Details</a></td> <td style="width: 5%;"></td> <td style="width: 10%;"><a href="#">3-1</a></td> <td style="width: 15%;">12/13/2016</td> <td>Claim #3 filed by Internal Revenue Service, Amount claimed: \$300.00 (LOPEZ, PAUL )</td> </tr> </table>			<a href="#">Details</a>		<a href="#">3-1</a>	12/13/2016	Claim #3 filed by Internal Revenue Service, Amount claimed: \$300.00 (LOPEZ, PAUL )													
<a href="#">Details</a>		<a href="#">3-1</a>	12/13/2016	Claim #3 filed by Internal Revenue Service, Amount claimed: \$300.00 (LOPEZ, PAUL )																
<b>Description:</b>																				
<b>Remarks:</b>																				

### Claims Register Summary

**Case Name:** GRAY PHOENIX DESERT RIDGE II LLC  
**Case Number:** 2:16-bk-07661-MCW  
**Chapter:** 11  
**Date Filed:** 07/06/2016  
**Total Number Of Claims:** 3

<b>Total Amount Claimed*</b>	\$30572796.22
<b>Total Amount Allowed*</b>	

\*Includes general unsecured claims

The values are reflective of the data entered. Always refer to claim documents for actual amounts.

	Claimed	Allowed
<b>Secured</b>	\$30572496.22	
<b>Priority</b>	\$0.00	
<b>Administrative</b>		

<b>PACER Service Center</b>			
<b>Transaction Receipt</b>			
02/06/2017 15:41:43			
<b>PACER Login:</b>	gk0012:2555224:0	<b>Client Code:</b>	27539-0001 taburgess
<b>Description:</b>	Claims Register	<b>Search Criteria:</b>	2:16-bk-07661-MCW Filed or Entered From: 1/1/1977 Filed or Entered To: 2/6/2017
<b>Billable Pages:</b>	1	<b>Cost:</b>	0.10



Gallagher & Kennedy, P.A.  
2575 East Camelback Road  
Phoenix, Arizona 85016-9225  
(602) 530-8000

**EXHIBIT H**  
**(EOE Claims Register)**

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5940659v1/27539-0001  
04/07/17

# District of Arizona Claims Register

[2:16-bk-07660-MCW EAST OF EPICENTER LLC](#)

**Judge:** Madeleine C. Wanslee      **Chapter:** 11  
**Office:** Phoenix      **Last Date to file claims:**  
**Trustee:**      **Last Date to file (Govt):**

<b>Creditor:</b> (14225948) Maricopa County Treasurer c/o Lori A. Lewis 222 North Central Avenue, Suite 1100 Phoenix, AZ 85004	<b>Claim No: 1</b> Original Filed Date: 09/07/2016 Original Entered Date: 09/07/2016	<b>Status:</b> Filed by: CR Entered by: LORI A LEWIS Modified:												
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%;"><u>Amount</u></td> <td style="width: 10%;">claimed:</td> <td style="width: 15%;">\$144312.13</td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> </tr> <tr> <td><u>Secured</u></td> <td>claimed:</td> <td>\$144312.13</td> <td></td> <td></td> <td></td> </tr> </table>			<u>Amount</u>	claimed:	\$144312.13				<u>Secured</u>	claimed:	\$144312.13			
<u>Amount</u>	claimed:	\$144312.13												
<u>Secured</u>	claimed:	\$144312.13												
<b>History:</b> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%;"><a href="#">Details</a></td> <td style="width: 5%;"></td> <td style="width: 5%;"><a href="#">1-1</a></td> <td style="width: 10%;">09/07/2016</td> <td style="width: 70%;">Claim #1 filed by Maricopa County Treasurer, Amount claimed: \$144312.13 (LEWIS, LORI )</td> </tr> </table>			<a href="#">Details</a>		<a href="#">1-1</a>	09/07/2016	Claim #1 filed by Maricopa County Treasurer, Amount claimed: \$144312.13 (LEWIS, LORI )							
<a href="#">Details</a>		<a href="#">1-1</a>	09/07/2016	Claim #1 filed by Maricopa County Treasurer, Amount claimed: \$144312.13 (LEWIS, LORI )										
<b>Description:</b> (1-1) 2014, 2015 and 2016 Real Property Taxes														
<b>Remarks:</b>														

<b>Creditor:</b> (14142295) Desert Ridge Community Association Acct No 302022-0001-00 9000 E. Pima Center Pkwy Ste. 300 Scottsdale AZ 85258	<b>Claim No: 2</b> Original Filed Date: 09/14/2016 Original Entered Date: 09/14/2016 Last Amendment Filed: 10/28/2016 Last Amendment Entered: 10/28/2016	<b>Status:</b> Filed by: CR Entered by: MICHAEL W. ZIMMERMAN Modified:												
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%;"><u>Amount</u></td> <td style="width: 10%;">claimed:</td> <td style="width: 15%;">\$46167.40</td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> </tr> <tr> <td><u>Secured</u></td> <td>claimed:</td> <td>\$46167.40</td> <td></td> <td></td> <td></td> </tr> </table>			<u>Amount</u>	claimed:	\$46167.40				<u>Secured</u>	claimed:	\$46167.40			
<u>Amount</u>	claimed:	\$46167.40												
<u>Secured</u>	claimed:	\$46167.40												
<b>History:</b> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%;"><a href="#">Details</a></td> <td style="width: 5%;"></td> <td style="width: 5%;"><a href="#">2-1</a></td> <td style="width: 10%;">09/14/2016</td> <td style="width: 70%;">Claim #2 filed by Desert Ridge Community Association, Amount claimed: \$21660.36 (ZIMMERMAN, MICHAEL )</td> </tr> <tr> <td><a href="#">Details</a></td> <td></td> <td><a href="#">2-2</a></td> <td>10/28/2016</td> <td>Amended Claim #2 filed by Desert Ridge Community Association, Amount claimed: \$46167.40 (ZIMMERMAN, MICHAEL )</td> </tr> </table>			<a href="#">Details</a>		<a href="#">2-1</a>	09/14/2016	Claim #2 filed by Desert Ridge Community Association, Amount claimed: \$21660.36 (ZIMMERMAN, MICHAEL )	<a href="#">Details</a>		<a href="#">2-2</a>	10/28/2016	Amended Claim #2 filed by Desert Ridge Community Association, Amount claimed: \$46167.40 (ZIMMERMAN, MICHAEL )		
<a href="#">Details</a>		<a href="#">2-1</a>	09/14/2016	Claim #2 filed by Desert Ridge Community Association, Amount claimed: \$21660.36 (ZIMMERMAN, MICHAEL )										
<a href="#">Details</a>		<a href="#">2-2</a>	10/28/2016	Amended Claim #2 filed by Desert Ridge Community Association, Amount claimed: \$46167.40 (ZIMMERMAN, MICHAEL )										
<b>Description:</b>														
<b>Remarks:</b>														

<b>Creditor:</b> (14269208) KUTAK ROCK LLP 1650 FARNAM STREET OMAHA NE 68102	<b>Claim No: 3</b> Original Filed Date: 10/11/2016 Original Entered Date: 10/12/2016	<b>Status:</b> Filed by: CR Entered by: Sharon Leary Modified:						
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%;"><u>Amount</u></td> <td style="width: 10%;">claimed:</td> <td style="width: 15%;">\$15047.50</td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> </tr> </table>			<u>Amount</u>	claimed:	\$15047.50			
<u>Amount</u>	claimed:	\$15047.50						
<b>History:</b> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%;"><a href="#">Details</a></td> <td style="width: 5%;"></td> <td style="width: 5%;"><a href="#">3-1</a></td> <td style="width: 10%;">10/11/2016</td> <td style="width: 70%;">Claim #3 filed by KUTAK ROCK LLP, Amount claimed: \$15047.50 (Leary, Sharon )</td> </tr> </table>			<a href="#">Details</a>		<a href="#">3-1</a>	10/11/2016	Claim #3 filed by KUTAK ROCK LLP, Amount claimed: \$15047.50 (Leary, Sharon )	
<a href="#">Details</a>		<a href="#">3-1</a>	10/11/2016	Claim #3 filed by KUTAK ROCK LLP, Amount claimed: \$15047.50 (Leary, Sharon )				
<b>Description:</b>								
<b>Remarks:</b>								

State of Arizona, through Arizona State Land Dept c/o Dean C. Waldt, Esq. Ballard Spahr LLP 1 E. Washington Street, Suite 2300 Phoenix, AZ 85004	Original Filed Date: 10/20/2016 Original Entered Date: 10/20/2016	Filed by: CR Entered by: DEAN C WALDT Modified:
No amounts claimed		
History:		
<a href="#">Details</a>	<a href="#">4-1</a>	10/20/2016 Claim #4 filed by State of Arizona, through Arizona State Land Dept, Amount claimed: (WALDT, DEAN )
Description: (4-1) Certificate of Purchase		
Remarks:		

Creditor: (14281883) CPF Vaseo Associates, LLC c/o Gallagher & Kennedy 2575 E. Camelback, Suite 1100 Phoenix, AZ 85016	Claim No: 5 Original Filed Date: 10/20/2016 Original Entered Date: 10/20/2016	Status: Filed by: CR Entered by: LINDSI M. WEBER Modified:
Amount claimed: \$4364146.17		
Secured claimed: \$4364146.17		
History:		
<a href="#">Details</a>	<a href="#">5-1</a>	10/20/2016 Claim #5 filed by CPF Vaseo Associates, LLC, Amount claimed: \$4364146.17 (WEBER, LINDSI )
Description:		
Remarks:		

### Claims Register Summary

**Case Name:** EAST OF EPICENTER LLC  
**Case Number:** 2:16-bk-07660-MCW  
**Chapter:** 11  
**Date Filed:** 07/06/2016  
**Total Number Of Claims:** 5

<b>Total Amount Claimed*</b>	\$4569673.20
<b>Total Amount Allowed*</b>	

\*Includes general unsecured claims

The values are reflective of the data entered. Always refer to claim documents for actual amounts.

	Claimed	Allowed
Secured	\$4554625.70	
Priority		
Administrative		

**PACER Service Center**

<b>Transaction Receipt</b>			
02/06/2017 15:41:15			
<b>PACER Login:</b>	gk0012:2555224:0	<b>Client Code:</b>	27539-0001 taburgess
<b>Description:</b>	Claims Register	<b>Search Criteria:</b>	2:16-bk-07660-MCW Filed or Entered From: 1/1/1977 Filed or Entered To: 2/6/2017
<b>Billable Pages:</b>	1	<b>Cost:</b>	0.10

Gallagher & Kennedy, P.A.  
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**EXHIBIT I  
(LIST OF KNOWN GRAY ENTITIES)**

5940659v1/27539-0001  
04/07/17

**EXHIBIT I  
BRUCE GRAY RELATED ENTITIES**

Entity No.	ACC File No.	Company/Name	Manager1	Manager2	Manager3	Manager4	Member1	Member2	Member3	Member4	Member5	Member6	Domicile
1		BRUCE GRAY											
2		BRUCE W GRAY											
3	L08525449	36TH STREET & MCDOWELL LLC					GEOFFREY A BINGHAM IP/EX LLC	ML OLSON INVESTMENTS CORP	GRAY OLSON MEYER INVESTMENTS LLC	RL HARRISON IP/EX LLC	BRIX-DEARMOND LLC	BINGHAM DEVELOPMENT LLC	AZ
4	L12364911	77MCD LLC	GDG ENTERPRISES LLC				GDG ENTERPRISES LLC	ARIZONA LAND INVESTORS LLC					AZ
5	L09530240	ALTAIR APARTMENTS LLC					GRAY MEYER FANNIN LLC	GRAY OLSON MEYER INVESTMENTS LLC					AZ
6	L08391885	ANDOVER SQUARE LLC					GRAY/WESTERN DEVELOPMENT COMPANY						AZ
7	L11608089	ARETE LLC	GRAY MEYER FANNIN LLC				GRAY MEYER FANNIN LLC						AZ
8	L11891842	ARETE PARADISE RIDGE LLC	GDG PARADISE RIDGE PARTNERS LLC				GDG ENTERPRISES LLC	GDG PARADISE RIDGE PARTNERS LLC					AZ
9	L10512767	BACARO CR LLC	GRAY MEYER FANNIN LLC				GRAY MEYER FANNIN LLC						AZ
10	L11891820	BACARO PARADISE RIDGE LLC	GDG PARADISE RIDGE PARTNERS LLC				GDG ENTERPRISES LLC	GDG PARADISE RIDGE PARTNERS LLC					AZ
11	L12475275	BILTMORE 24 INVESTORS LLC	GDG ENTERPRISES LLC	STEVEN P ZIMMER			BINGHAM DEVELOPMENT LLC	GRAY/WESTERN DEVELOPMENT COMPANY					AZ
12	L18405159	BILTMORE 24 INVESTORS SPE LLC	BRUCE W GRAY	MARK OLSON	STEVEN P ZIMMER		BILTMORE 24 INVESTORS LLC						AZ
13	L07510785	BINGHAM & GRAY LLC (fka BINGHAM & GRAY CONSTRUCTION LLC)					BRUCE W GRAY	BINGHAM CONSTRUCTION INC					AZ
14	L09935118	CAMELBACK SQUARE APARTMENTS, LLC					GRAY/WESTERN DEVELOPMENT COMPANY	JE MEYER INVESTMENTS INC					AZ
15	L07339744	CANYON GATE LLC					GRAY & OLSON LLC	GRAY/WESTERN DEVELOPMENT COMPANY					AZ
16	R16040412	CJUF III GRIGIO METRO LLC					CJUF III GRIGIO METRO LLC	GDG GRIGIO METRO LLC					DE
17	L11162525	COPPER & INDIGO CANYONS LLC	GRAY MEYER FANNIN LLC				GRAY MEYER FANNIN LLC						AZ
18	R20169933	DESERT RIDGE CORE ARIZONA LLC (FN) (DESERT RIDGE CORE LLC)	BRUCE W GRAY				BRUCE W GRAY						DE
19	L12599154	EAST OF EPICENTER LLC	GDG ENTERPRISES LLC				SMDR LLC	GDG ENTERPRISES LLC					AZ
20	L11395443	EPICENTER PARTNERS LLC	GRAY/WESTERN DEVELOPMENT COMPANY				GRAY/WESTERN DEVELOPMENT COMPANY						AZ
21	L13772550	EPICENTER PR EXCHANGE LLC	GDG ENTERPRISES LLC				GDG ENTERPRISES LLC						AZ
22	L12227783	GDG ENTERPRISES LLC	BRUCE W GRAY	MARK OLSON			GRAY/WESTERN DEVELOPMENT COMPANY						AZ
23	L16034318	GDG GRIGIO METRO LLC	GDG ENTERPRISES LLC				GDG ENTERPRISES LLC						AZ
24	L16111510	GDG GRIGIO TEMPE TOWN LAKE LLC	GDG ENTERPRISES LLC				GDG ENTERPRISES LLC						DE
25	L16106361	GDG PARADISE RIDGE HOLDINGS LLC	GDG ENTERPRISES LLC				GDG ENTERPRISES LLC						AZ
26	L11918836	GDG PARADISE RIDGE PARTNERS LLC	GDG ENTERPRISES LLC				GDG ENTERPRISES LLC						AZ
27	L10016594	GDG PARTNERS LLC	BRUCE W GRAY				GRAY/WESTERN DEVELOPMENT COMPANY						AZ
28	L07508841	GRAY & OLSON LLC					MJ OLSON INVESTMENT CORPORATION	GRAY/WESTERN DEVELOPMENT COMPANY					AZ
29	07710911	GRAY & TERNOSKY ARCHITECTS PC (fka GRAY & TERNOSKY, P.C.)	BRUCE W GRAY										AZ
30	L17055018	GRAY BLUE SKY SCOTTSDALE RESIDENTIAL PHASE I LLC	SONORAN DESERT LAND INVESTORS LLC				SONORAN DESERT LAND INVESTORS LLC						AZ
31	18591042	GRAY CALIFORNIA ARCHITECTS INC	BRUCE W GRAY										AZ
32	L07966518	GRAY CLOW RESIDENTIAL L.L.C. (nka GRAY RESIDENTIAL LLC)											AZ
33	L08511240	GRAY CONSTRUCTION LLC (fka GRAY OLSON MEYER CONSTRUCTION LLC, GRAY PALMER CONSTRUCTION LLC)	BRUCE GRAY	MARK OLSON			GRAY/WESTERN DEVELOPMENT COMPANY						AZ
34	L20497965	GRAY DESERT RIDGE CORE 3 LLC	BRUCE GRAY	MARK OLSON			GRAY/WESTERN DEVELOPMENT COMPANY						AZ
35	L20497681	GRAY DESERT RIDGE CORE 7 LLC	BRUCE GRAY	MARK OLSON			GRAY/WESTERN DEVELOPMENT COMPANY						AZ
36		GRAY DEVELOPMENT COMPANY											
37	L16379761	GRAY DEVELOPMENT GROUP LLC	BRUCE GRAY	MARK OLSON			GRAY/WESTERN DEVELOPMENT COMPANY						AZ
38	L16388048	GRAY DEVELOPMENT LLC	BRUCE GRAY	MARK OLSON			GRAY/WESTERN DEVELOPMENT COMPANY						AZ
39	L17251253	GRAY EAST VILLAGE SAN DIEGO LLC	BRUCE GRAY	BRIAN KEARNEY			GRAY DEVELOPMENT LLC						AZ
40	L14147845	GRAY INVESTMENT FUND I LLC	GDG ENTERPRISES LLC				GDG ENTERPRISES LLC						AZ
41	L13768698	GRAY MESA LLC (nka NEW MOJO LLC)											AZ

**EXHIBIT I  
BRUCE GRAY RELATED ENTITIES**

42	L09999460	GRAY MEYER FANNIN LLC	BRUCE W GRAY					GRAY/WESTERN DEVELOPMENT COMPANY													AZ
43	L09504717	GRAY OLSON MEYER INVESTMENTS LLC						GRAY/WESTERN DEVELOPMENT COMPANY	M J OLSON INVESTMENTS CORP	J E MEYER INVESTMENTS INC											AZ
44	L08286745	GRAY OLSON MEYER LLC						GRAY/WESTERN DEVELOPMENT COMPANY	M J OLSON INVESTMENTS CORP												AZ
45	L08511240	GRAY PALMER CONSTRUCTION LLC (nka GRAY CONSTRUCTION LLC)																			AZ
46	L17320469	GRAY PHOENIX DESERT RIDGE I LLC	BRUCE W GRAY	MARK OLSON				GRAY MEYER FANNIN LLC	EPICENTER PARTNERS LLC												AZ
47	L18562441	GRAY PHOENIX DESERT RIDGE I MEMBER LLC	BRUCE W GRAY	STEVEN P ZIMMER	BRIAN KEARNEY			GRAY MEYER FANNIN LLC	EPICENTER PARTNERS LLC												AZ
48	L17320470	GRAY PHOENIX DESERT RIDGE II LLC	BRUCE GRAY	SMDR LLC	BRIAN KEARNEY	STEVEN P ZIMMER		GRAY PHOENIX DESERT RIDGE II MEMBER LLC													AZ
49	L18576107	GRAY PHOENIX DESERT RIDGE II MEMBER LLC	BRUCE W GRAY	STEVEN P ZIMMER	BRIAN KEARNEY			GRAY MEYER FANNIN LLC	EPICENTER PARTNERS LLC												AZ
50	L17320491	GRAY PHOENIX DESERT RIDGE II SUBLESSEE LLC	BRUCE GRAY	BRIAN KEARNEY				GRAY/WESTERN DEVELOPMENT COMPANY													AZ
51	L18040650	GRAY PHOENIX DESERT RIDGE III LLC	BRUCE W GRAY	BRIAN KEARNEY				GRAY MEYER FANNIN LLC	EPICENTER PARTNERS LLC												AZ
52	L18081272	GRAY PHOENIX DESERT RIDGE IV LLC	BRUCE W GRAY	BRIAN KEARNEY				GRAY MEYER FANNIN LLC	EPICENTER PARTNERS LLC												AZ
53	L12970489	GRAY RESIDENT SERVICES LLC	BRIAN KEARNEY					BRIAN KEARNEY													AZ
54	L07966518	GRAY RESIDENTIAL LLC ( fka GRAY OLSON RESIDENTIAL LLC)	BRUCE W GRAY	MARK OLSON				GRAY/WESTERN DEVELOPMENT COMPANY													AZ
55	L15368250	GRAY SERVICES LLC	BRUCE GRAY	MARK OLSON																	AZ
56	02487482	GRAY/WESTERN DEVELOPMENT COMPANY	BRUCE GRAY	BRUCE W GRAY																	AZ
57	L13287634	GRIGIO PARADISE RIDGE LLC	GDG PARADISE RIDGE PARTNERS LLC					GDG ENTERPRISES LLC	GDG PARADISE RIDGE PARTNERS LLC												AZ
58	L13208900	GRIGIO TTL LLC	GDG ENTERPRISES LLC					GDG ENTERPRISES LLC	GRAY/WESTERN DEVELOPMENT COMPANY												AZ
59	L16451202	GTTL OPTIONEE LLC						GRIGIO TTL LLC													AZ
60	L08795807	INDIGO PALMS LLC	GRAY MEYER FANNIN LLC					GRAY MEYER FANNIN LLC	M J OLSON INVESTMENTS CORP	GRAY OLSON MEYER INVESTMENTS LLC	36TH STREET AND MCDOWELL LLC										AZ
61	L08508530	INDIGO SPRINGS LLC						GRAY/WESTERN DEVELOPMENT COMPANY	GRAY OLSON MEYER CONSTRUCTION	JAMES B WATKINS LTD											AZ
62	L07724519	LEGACY APARTMENTS, LLC						GRAY/WESTERN DEVELOPMENT COMPANY; PJ BRIX LLC	STUART S BINGHAM LEGACY/EX LLC; SELWYN R BINGHAM LEGACY/EX LLC	SELWYN A BINGHAM LEGACY/EX LLC; RL HARRISON LEGACY/EX LLC	GEOFFREY A BINGHAM LEGACY/EX L	MJ OLSON INVESTMENTS CORPORATION	DOUBLE DEE LLC								AZ
63	L13241350	MONDRIAN MANAGER LLC	GDG ENTERPRISES LLC					GDG ENTERPRISES LLC													AZ
64	R11505188	MONDRIAN TTL LLC	GRAY MEYER FANNIN LLC					GRAY MEYER FANNIN LLC													DE
65	L08466984	MONTEVIDA LLC						GRAY OLSON MEYER INVESTMENTS LLC	GRAY/WESTERN DEVELOPMENT COMPANY	ROBERT L HARRISON	STUART S BINGHAM	ARIZONA LAND INVESTORS LLC									AZ
66	L10499625	MONTEVIEJO LLC						P R FANNIN INVESTMENTS INC; BINGHAM DEVELOPMENT LLC	GRAY/WESTERN DEVELOPMENT COMPANY; S T PARADY INVESTMENTS INC	CLOW MV LLC; GDG PARADISE RIDGE PARTNERS LLC	GENFIVE VENTURES LLC	J E MEYER INVESTMENTS INC	GRAY MEYER FANNIN LLC								AZ
67	L13768698	NEW MOJO LLC	BRUCE GRAY	MARK OLSON				GRAY/WESTERN DEVELOPMENT COMPANY													AZ
68	P10396586	PARADY GRAY ARCHITECTS PLLC	STEVE PARADY					BRUCE W GRAY	GDG ENTERPRISES LLC												AZ
69	L15617252	PAVILIONS APARTMENTS II LLC	CAP VI PAVILLIONS LLC					GRAY/WESTERN DEVELOPMENT COMPANY	CAP VI PAVILLIONS LLC												AZ
70	R16469547	PR PARADISE RIDGE HC LLC						GDG PARADISE RIDGE HOLDINGS LLC	PR PARADISE RIDGE MEMBER LLC												DE
71	L11849915	PR4E, LLC						GDG PARADISE RIDGE PARTNERS LLC	MERITAGE HOMES OF ARIZONA INC												AZ
72	L10825966	SONORAN DESERT LAND INVESTORS LLC	BRUCE GRAY	BRIAN KEARNEY	SMDR LLC	STEVEN P ZIMMER		SONORAN DESERT LAND INVESTORS LLC													AZ
73	L18572547	SONORAN DESERT LAND INVESTORS MEMBER LLC	BRUCE W GRAY	BRIAN KEARNEY	STEVEN P ZIMMER			GRAY/WESTERN DEVELOPMENT COMPANY													AZ
74	L19863443	TCB REAL ESTATE LLC						BRIAN KEARNEY													AZ
75	L13562976	TEMPE TRANSIT LLC	GDG ENTERPRISES LLC					GDG ENTERPRISES LLC													AZ
76	L07123053	TPOC LIMITED LIABILITY COMPANY						GRAY/WESTERN DEVELOPMENT CO	SELWYN A BINGHAM TPOC/EX LLC	LB CONNELLY TPOC/EX LLC	STUART S BINGHAM TPOC/EX LLC	SELWYN R BINGHAM TPOC/EX LLC	RL HARRISON TPIC/EX LLC								AZ
77	L13866960	TRIANA BACARO LLC	GDG ENTERPRISES LLC					GDG ENTERPRISES LLC	TRIANNA LLC												AZ
78	L13866970	TRIANA DEVELOPMENT LLC	TRIANNA LLC					TRIANNA LLC													AZ
79	L13866981	TRIANA INDIGO LLC	GDG ENTERPRISES LLC					GDG ENTERPRISES LLC	TRIANNA LLC												AZ

**EXHIBIT I  
BRUCE GRAY RELATED ENTITIES**

80	L11659421	TRIANNA LLC	GRAY MEYER FANNIN LLC				GRAY MEYER FANNIN LLC	GRAY/WESTERN DEVELOPMENT COMPANY														AZ	
81	L10507246	URBAN ARCHITECTS LLC	BRUCE W GRAY				GRAY/WESTERN DEVELOPMENT COMPANY																AZ
82	4878093	GDG GRIGIO TEMPE TOWN LAKE INVESTOR, LLC					GDG ENTERPRISES LLC																DE
83	4840329	CJUF III GRIGIO TEMPE TOWN LAKE LLC																					DE
84	P16999880	GRAY ARCHITECTS P.L.L.C.					BRUCE M GRAY																AZ
85	L08753691	MONTERRA LLC					GRAY OLSON MEYER LLC; JOHN SPADORCIA	ARIZONA LAND INVESTORS LLC; LLD INVESTMENTS LLC	SELWYN R BINGHAM MONTERRA/EX; DAVIS WRIGHT TREMAINE 401	RL HARRISON MONTERRA/EX LLC	INTERNATIONAL INVESTMENT GROUP	M J OLSON INVESTMENTS CORP											AZ
86	L09639986	CLARENDON PARK LLC					GRAY OLSON MEYER LLC	ARIZONA LAND INVESTORS LLC	DOUBLE DEE LLC	SELWYN R BINGHAM CP/EX LLC	NEWCORP INVESTMENTS INC	COMMUNITY TRUST AND INVESTMENT											AZ
87		GBG PARTNERS																					
88		GOM ONSTRUCTION LLC																					
89		HILL COUNTRY GALLERIA LP																					
90		PRADY GRAY ARCHITECTS LLC																					
91		S&A HOLDINGS LLC																					
		RED = Entity Terminated or Administratively Dissolved																					



**EXHIBIT J**  
**(LIST OF DOCUMENTS)**

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## DISCLOSURE STATEMENT – EXHIBIT J

**THE FOLLOWING LIST IS NOT INCLUSIVE OF ALL DOCUMENTS THAT MAY GIVE RISE TO ESTATE CLAIMS OR OTHER CLAIMS AGAINST INSIDERS, AFFILIATES, PERSONS, ENTITIES, AND GOVERNMENTAL ENTITIES. THE REORGANIZED DEBTORS WILL INVESTIGATE ALL PREPETITION TRANSACTIONS INVOLVING THE DEBTORS AND PURSUE ESTATE CLAIMS AND OTHER CLAIMS AS APPROPRIATE. FAILURE TO LIST A PARTICULAR DOCUMENT HEREIN SHALL NOT BE DEEMED A WAIVER OF ANY CLAIM**

- CBRE Appraisal – 64.36 Acres Deer Valley Drive 56th Street12/12
- CBRE Appraisal 106 Acres [CBRE0001512-1748]
- CBRE Appraisal 20 Acres (58.723 Net Acres)– Desert Ridge [CPRX000001-171]
- CBRE Appraisal 35.66 Net Acres – Desert Ridge [CBRE0007528-7676]
- CBRE Appraisal 20 Acres – Desert Ridge [CBRE0013568-13690]
- CBRE Appraisal 20 Acres - Desert Ridge [CBRE0012177-12301]
- CBRE Appraisal 20 Acres – Desert Ridge [CBRE0013282-13390]
- CBRE Appraisal 20 Acres – Desert Ridge [CBRE0012056-12176]
- CBRE Appraisal 20 Acres– Desert Ridge [RAYNAK 00313-437]
- CBRE Appraisal 96 Acres (43.84 Net Acres) – Desert Ridge [CBRE0008967-9125]
- CBRE Appraisal 96 Acres (41.57 Net Acres) – Desert Ridge [RAYNAK 000001-159]
- CBRE Appraisal 96 Acres (45.27 Net Acres) – Desert Ridge [CBRE0010442-10595]
- CBRE Appraisal 96 Acres (45.38 Net Acres) – Desert Ridge [RAYNAK 000160-312]
- Declaration Of Thomas Raynak Re Valuation Of Estate Property [CBRE0013693-13695]
- CBRE Engagement Letter re 5.9 Acres, 20 Acres and 4.3 Acres [Bates CBRE0013554-13561]
- CBRE Restricted Appraisal Reports, dated October 27, 2016 (41.57 net acres)
- CBRE Restricted Appraisal Reports, dated October 27, 2016 (45.38 net acres)
- CBRE Restricted Appraisal Reports, dated October 27, 2016 (18.71 net acres)
- 2016 Conceptual Parcel Site Plan – Desert Ridge Parcel 5A East
- 2008 Conceptual Parcel Site Plan – Desert Ridge Parcel 5A East
- Desert Ridge Specific Plan, dated July 18, 1990
- Map of Dedication for City North, recorded as Instrument No. 2007-1180844
- Property Development Agreement, recorded as Instrument No. 20120584409
- Map of Dedication for City North, recorded as Instrument No. 2007-1180844
- Property Development Agreement, recorded as Instrument No. 20120584409
- Arizona State Land Department Commercial Lease No. 003-052415-99, as amended
- Arizona State Land Department Commercial Lease No. 003-116780-99, as amended
- Arizona State Land Department Commercial Lease No. 003-116824-99, as amended
- Arizona State Land Department Commercial Lease No. 003-116825-99, as amended
- Settlement Agreement, dated May 30, 2014, among Epicenter Partners, LLC, East of Epicenter, LLC, the State of Arizona acting by and through the Arizona State Land Department and Vanessa Hickman, acting as Arizona State Land Commissioner, and related parties, and all related Documents and agreements
- Tract Declaration for Desert Ridge Commercial Core, recorded as Instrument No. 2000-0555237

## DISCLOSURE STATEMENT – EXHIBIT J

- Assignment of Rights as Master Developer and Declarant, recorded as Instrument 2013-421834
- Assignment of Rights as Master Developer and Declarant, recorded as Instrument 2013-421836
- Arizona State Land Department Commercial Lease No. 003-052415-99, as amended
- Arizona State Land Department Commercial Lease No. 003-116780-99
- Settlement Agreement, dated May 30, 2014 (ASLD, Epicenter Partners, LLC, East of Epicenter, LLC)
- Amended Master Street Plan – Desert Ridge Superblock 5A East, July 2016
- Declaration of Covenants, Conditions, Restrictions and Easements for Desert Ridge, recorded as Instrument No. 94-0106341
- First Amendment to Declaration of Covenants, Conditions, Restrictions and Easements for Desert Ridge, recorded as Instrument No. 95-0158289
- Certificate of Second Amendment to Declaration of Covenants, Conditions, Restrictions and Easements for Desert Ridge, recorded as Instrument No. 95-0764940
- Partial Assignment of Master Developer’s Rights Under Declaration of Covenants, Conditions, Restrictions and Easements for Desert Ridge, recorded as Instrument 2000-0555241
- Certificate of Third Amendment to Declaration of Covenants, Conditions, Restrictions and Easements for Desert Ridge, recorded as Instrument No. 2008-0060711
- Declaration of Covenants, Conditions, Restrictions and Easements for Desert Ridge Commercial Core, recorded as Instrument No. 2000-0555236
- Tract Declaration for Desert Ridge Commercial Core, recorded as Instrument No. 2000-0555237
- Assignment and Assumption of Master Developer Rights and Obligations, recorded as Instrument 2012-584404
- Assignment and Assumption of Master Developer Rights and Obligations, recorded as Instrument 2012-584406
- Assignment of Rights as Master Developer and Declarant, recorded as Instrument 2013-421834
- Assignment of Rights as Master Developer and Declarant, recorded as Instrument 2013-421836
- Mutual Easement Agreement, recorded as Instrument No. 2012-584410
- Amended and Restated Mutual Easement Agreement, recorded as Instrument No. 2012-1048466
- Master Developer and Declarant Agreement, recorded as Instrument No. 2012-882879
- Master Developer and Declarant Agreement, recorded as Instrument No. 2012-1183849
- Access and Utility Easement Agreement, recorded as Instrument No. 2013-347897
- Various Assignment Leases affecting property within the Desert Ridge Commercial Core
- Desert Ridge Master Street Plan
- Desert Ridge Master Conceptual Drainage Plan
- Desert Ridge Master Water and Wastewater Plan
- Desert Ridge Master Conceptual Bicycle and Pedestrian Circulation Plan, and
- Desert Ridge Master Water Conservation Plan.

## DISCLOSURE STATEMENT – EXHIBIT J

- Parking Space Development and Use Agreement dated July 3, 2007 and recorded on July 13, 2007 as Document Number 2007-0799189
- Amended and Restated Parking Structure Use and Maintenance Agreement for 20850 North 54<sup>th</sup> Street Parking Structure
- Real Estate Leasehold Purchase and Sale Agreement, dated May 12, 2016, among LKY Real Estate Fund V, LLC, Gray Phoenix Desert Ridge III, LLC, and Gray Phoenix Desert Ridge IV, LLC and related Documents and agreements
- Amended and Restated Mutual Easement Agreement, recorded as Instrument 20121048433 and all related Documents
- Second Amended and Restated Mutual Easement Agreement, recorded as Instrument 20130861499 and all related Documents
- Settlement Agreement, dated May 31, 2012, among Epicenter Partners, LLC, Gray Meyer Fannin, LLC, Bruce Gray, Northeast Phoenix Partners, NPP City North, LLC, and related parties, and all related Documents and agreements
- Lease Assignment and Assumption Agreement, recorded as Instrument 20160392826 and all related Documents
- Lease Assignment and Assumption Agreement, recorded as Instrument 20160392829
- Loan Agreement, dated September 28, 2012, among LKY Real Estate Fund V, LLC and Gray Phoenix Desert Ridge I, LLC, as amended and modified, and all related Documents and agreements
- Assignment and Assumption of Ground Lease and Sublease recorded February 17, 2010 as Instrument No. 2010-0131237 of Official Records and evidenced by that Notice of Assignment dated February 23, 2010 and filed with ASLD
- Lease Assignment and Assumption Agreement dated May 31, 2012 and recorded July 3, 2012 as Instrument No. 2012-584402 of Official Records, and as Lessor consented to the foregoing assignment under that Assignment of Commercial Lease dated June 27, 2012, filed with Lessor and recorded on July 3, 2012 as Instrument No. 2012-0584403 of Official Records.
- Assignment and Assumption of Master Development Rights and Obligations recorded July 3, 2012 as Instrument No. 2012-584406 Official Records
- Amendment filed July 13, 2012 with ASLD
- Lease Assignment and Assumption Agreements recorded July 3, 2012 as Instrument Nos. 2012-584407 and 2012-584408 of Official Records
- Amendment as a Result of Partial Assignment and filed on November 1, 2012 with ASLD
- Amendment to Arizona State Land Department Commercial Lease No. 03-52415-99 as a Result of Partial Assignment (.91 Acres - GPDR III) dated December 27, 2012, filed with ASLD, and disclosed by that Memorandum of Lease recorded December 28, 2012 as Instrument No. 2012-1183847 of Official Records
- Amendment to Arizona State Land Department Commercial Lease No. 03-52415-99 as a Result of Partial Assignment (1.48 Acres - GPDR IV) dated December 27, 2012, filed with ASLD, and disclosed by that Memorandum of Lease recorded December 28, 2012 as Instrument No. 2012-1183846 of Official Records
- Property Development Agreement (City North HH, LLC), dated July 3, 2012 and recorded as Instrument 20120584409

## DISCLOSURE STATEMENT – EXHIBIT J

- Option Agreement, dated September 26, 2013 in favor of Gray Phoenix Desert Ridge IV, LLC and all related Documents and Agreements
- Rights of Master Developer under the Covenants, Conditions, Restrictions and Easements for Superblock 3, dated January 3, 1996 and recorded on January 10, 1996 as Document Number 96-0019709.
- Rights of Master Developer under the Covenants, Conditions, Restrictions and Easements for Superblock 6, recorded on October 7, 2000 as Document Number 2000-0827534
- All Documents and agreements related to Desert Ridge Community Association
- All Documents and agreements related to Desert Ridge Core Association
- Certificate of Purchase No. 53-110227, dated January 19, 2006 and recorded as Instrument 20060229467.
- Consent to Assignment of Certificate of Purchase No. 53-110227, dated February 16, 2006
- Desert Ridge Zone 5 Watermain Development Agreement, dated August 10, 2007 and recorded as Instrument No. 20071134783
- Other recorded and unrecorded Documents and agreements affecting property with the Desert Ridge Master Planned Community and the Desert Ridge Commercial Core

Gallagher & Kennedy, P.A.  
2575 East Camelback Road  
Phoenix, Arizona 85016-9225  
(602) 530-8000

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**EXHIBIT K  
(STATEMENT BY COMMITTEE, DEBTORS, AND BRUCE AND BARABRA  
GRAY)**

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