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8 UNITED STATES BANKRUPTCY COURT
9 DISTRICT OF NEVADA

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11 In Re:
12 THE VILLAGE AT LAKERIDGE,
LLC, a Nevada limited liability
13 company,

Case No. BK-N-11-51994-BTB
Chapter 11

Hearing Date: TBD
Hearing Time: TBD

14 Debtor.
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21 **DEBTOR’S AMENDED**
22 **PLAN OF REORGANIZATION**
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TABLE OF CONTENTS

1

2 1. INTRODUCTION 1

3 2. DEFINITIONS 1

4 3. CLAIMS AND INTERESTS 4

5 3.1 Classification of Claims and Interests 4

6 3.2 Impaired Classes. 4

7 4. TREATMENT OF CLAIMS AND INTERESTS 4

8 4.1 Class 1 (U.S. Bank Claim) 4

9 4.2 Class 2 (Second Creek, LLC Claim) 5

10 4.3 Class 3 (Membership Interest).. 5

11 5. TREATMENT OF UNCLASSIFIED CLAIMS 5

12 5.1 Administrative Claims 5

13 5.2 Fees to the United States Trustee 5

14 6. EXECUTORY CONTRACTS. 5

15 7. MEANS OF IMPLEMENTING AND FUNDING THE PLAN 5

16 7.1 Continued Operation of the Business. 5

17 7.2 Sale of Property. 6

18 7.3 Compliance With Settlement Agreement. 6

19 7.4 Revesting of Assets in the Debtor 6

20 7.5 Disbursing Agent 6

21 7.6 Post-Confirmation Litigation.. 6

22 7.7 Post-Confirmation Default. 6

23 8. FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN 6

24 9. EXCULPATION. 7

25 10. MISCELLANEOUS PROVISIONS 7

26 11 RETENTION OF JURISDICTION 7

27
28

1 **1. INTRODUCTION**

2 Debtor, THE VILLAGE AT LAKERIDGE, LLC, a Nevada limited liability company
3 (hereinafter “Debtor”), filed its petition for relief under Chapter 11 of the Bankruptcy Code
4 on **June 16, 2011**. This Amended Plan of Reorganization (the “Plan”) is a proposal to
5 creditors to resolve the debts owed on the date of filing the petition. This Plan has or will
6 be approved by all creditors, and is 100% consensual.

7 **2. DEFINITIONS**

8 Whenever from the context it appears appropriate, each term stated in either the
9 singular or the plural shall include the singular and the plural, and pronouns stated in the
10 masculine, feminine or neuter gender shall include the masculine, the feminine and the
11 neuter. Any capitalized term not defined herein that is defined in the Bankruptcy Code shall
12 have the meaning ascribed to it in the Bankruptcy Code. Unless the context requires
13 otherwise, the following words and phrases shall have the meanings set forth below when
14 used in this Plan:

15 (A) **“Administrative Claim.”** Claim arising during the administration of Debtor’s
16 Chapter 11 case entitled to priority under Section 507(a)(1) of the Bankruptcy Code. As
17 required by the Bankruptcy Code, holders of Allowed Administrative Claims against Debtor
18 shall receive cash in the amount of such allowed claim on the Effective Date.

19 (B) **“Allowed Claim.”** This term will refer to and mean every claim, including
20 administrative claims, secured claims, priority claims and unsecured claims: (i) as to which
21 a proof of claim has been filed with the Court within the time fixed by the Court or, if such
22 claim arises from the Debtor’s rejection of an unexpired lease or other executory contract,
23 within thirty (30) days after the Effective Date of the Plan, or (ii) which is scheduled as of
24 the Confirmation Date of the Plan in the schedules filed by the Debtor or amended by the
25 Debtor as of said date, and is liquidated in amount and undisputed; and in either of the above
26 events, as to which no objection to allowance of such claim or request for subordination
27 thereof has been filed within any applicable time period fixed by the Court or as to which an
28 order allowing such claim and establishing its priority has become final and non-appealable,

1 or (iii) with respect to administrative claims, as to which an application has been approved
2 by order of the Bankruptcy Court.

3 (C) **“Bankruptcy Case.”** This term shall mean the pending Chapter 11 case
4 entitled *In re The Village at Lakeridge, LLC, a Nevada limited liability company*, Case No.
5 BK-N-11-51994-BTB.

6 (D) **“Bankruptcy Code.”** This term means the Bankruptcy Code of 1978, as
7 codified in Title 11 of the United States Bankruptcy Code by Public Law 95-598, including
8 all amendments thereof and thereto.

9 (E) **“Bankruptcy Court.”** This term means the United States Bankruptcy Court
10 for the District of Nevada, Reno, or such other court as has jurisdiction of these Chapter 11
11 cases.

12 (F) **“Claim.”** This term means any right to payment, whether or not such right is
13 reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured,
14 disputed, undisputed, legal, equitable, secured or unsecured; or any right to an equitable
15 remedy for breach of performance, if such breach gives rise to a right to payment, whether
16 or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured,
17 unmatured, disputed, undisputed, secured or unsecured.

18 (G) **“Confirmation Date.”** This term refers to and shall mean the date on which
19 the Court enters its Order confirming the Plan, or any subsequently amended plan of
20 reorganization.

21 (H) **“Confirmation Hearing.”** This term shall mean the hearing or hearings in
22 which the Bankruptcy Court considers confirmation of the Plan.

23 (I) **“Debtor.”** The term Debtor means THE VILLAGE AT LAKERIDGE, LLC,
24 the Chapter 11 Debtor in Case No. BK-N-11-51994-BTB.

25 (J) **“Disclosure Statement.”** Disclosure Statement means the Disclosure
26 Statement filed by the Debtor, and as approved by the Bankruptcy Court.

27 (K) **“Effective Date.”** This term shall mean the date which is the first business day
28 following entry of an order confirming this Plan.

1 (L) ***“Petition Filing Date.”*** This term shall refer to June 16, 2011, the date on
2 which Debtor filed its voluntary petition commencing the above-captioned Chapter 11 case.

3 (M) ***“Plan.”*** This term shall refer to Debtor’s Amended Plan of Reorganization,
4 together with any amendments or modifications thereto as may hereafter be filed by the
5 Debtor.

6 (N) ***“Post Confirmation.”*** This term shall mean the period of time after the
7 Confirmation Date.

8 (O) ***“Priority Claim.”*** This term shall mean any claim entitled to priority pursuant
9 to Section 507(a) of the Bankruptcy Code.

10 (P) ***“Property.”*** This term shall mean the commercial complex located at 6900-
11 6990 S. McCarran Blvd., Reno, Nevada.

12 (Q) ***“Reorganized Debtor.”*** This term means The Village At Lakeridge, LLC, a
13 Nevada limited liability company, following the Confirmation Date.

14 (R) ***“Settlement Agreement.”*** This term means the Settlement Agreement And
15 Release Of Claims entered into between the Debtor and U.S. Bank, as the same is approved
16 by the Bankruptcy Court after notice and hearing.

17 (S) ***“Unsecured Claim.”*** This shall mean a Claim that is not secured by a pledge
18 of or security interest in any of the Debtor’s property.

19 (T) ***“U.S. Bank”*** or ***“Bank.”*** This term shall mean U.S. Bank National
20 Association, as Trustee, successor-in-interest to Bank of America, N.A., as Trustee, as
21 successor by merger to LaSalle Bank National Association, as Trustee for the registered
22 holders of Greenwich Capital Commercial Funding Corp., Commercial Mortgage Trust
23 2005-GG3, Commercial Mortgage Pass-Through Certificates, Series 2005-GG3, by and
24 through CWCcapital Asset Management LLC, solely in its capacity as Special Servicer.

25 (U) ***“U.S. Bank Deed of Trust.”*** This term shall mean the Deed of Trust, Security
26 Agreement and Financing Statement securing the U.S. Bank Note wherein Magnolia Village,
27 LLC, a Nevada limited liability company, the predecessor-in-interest to Debtor is trustor,
28 Greenwich Capital Financial Products, Inc., is original beneficiary, and Ticor Title Company,

1 is trustee, recorded as Document No. 3094133 in the Official Record of the Washoe County
2 Recorder on September 7, 2004. U.S. Bank is the successor-in-interest to Greenwich Capital
3 Financial Services and to Berkadia Commercial Mtg., the lenders listed in Debtor's petition,
4 the original lender; however no proof of assignment to U.S. Bank has been forthcoming.

5 (V) **"U.S. Bank Note."** This shall mean the Promissory Note dated September 3,
6 2004, in which Magnolia Village, LLC, a Nevada limited liability company, the predecessor-
7 in-interest to Debtor is trustor, and Greenwich Capital Financial Products, Inc., is the original
8 beneficiary, having an original principal balance of \$17,200,000.00.

9 **3. CLAIMS AND INTERESTS**

10 **3.1 Classification of Claims and Interests**

11 Pursuant to Section 1122 of the Bankruptcy Code, set forth below is a designation of
12 classes of Claims and Interests. Administrative Claims of the kinds specified in Sections
13 507(a)(2) of the Bankruptcy Code have not been classified and are excluded from the
14 following classes in accordance with Section 1123(a)(1) of the Bankruptcy Code.

15 Class 1: Allowed Secured Claim of **U.S. Bank**.

16 Class 2: Allowed Claim of **Second Creek, LLC**

17 Class 3: The **membership interest** of the Debtor.

18 **3.2 Impaired Classes**

19 The Classes 1 and 2 are impaired under the Plan.

20 **4. TREATMENT OF CLAIMS AND INTERESTS**

21 Each creditor class shall be treated as follows:

22 **4.1 Class 1 (U.S. Bank Claim)**

23 The U.S. Bank Claim shall be treated under the Plan in accordance with the
24 Settlement Agreement, and all disbursements to U.S. Bank under the Plan shall be in
25 accordance with the Settlement Agreement, which is incorporated herein by reference as
26 though fully set forth herein.

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1 **4.2 Class 2 (Unsecured Claim of Second Creek, LLC):**

2 The Class 2 claim shall be paid in accordance with the Amended Stipulation For Plan
3 Treatment Of Creditor Second Creek, LLC, filed on October 30, 2018.

4 **4.3 Class 3 (Membership Interests):**

5 The member shall retain its membership interest in the Reorganized Debtor and shall
6 receive distributions in accordance with the Settlement Agreement.

7 **5. TREATMENT OF UNCLASSIFIED CLAIMS**

8 **5.1 Administrative Claims**

9 Claims arising during the administration of the Debtor’s Chapter 11 case and entitled
10 to priority under Section 507(a)(1) of the Bankruptcy Code are not classified under the Plan.
11 Holders of such claims shall be paid in accordance with the Settlement Agreement, with the
12 balance paid in full on the latter of the Effective Date, or fifteen (15) days after entry of an
13 order creating an Allowed Administrative Claim.

14 **5.2 Fees to the United States Trustee**

15 All fees required to be paid to the United States Trustee will be paid in full, solely
16 from the Debtor’s share of the proceeds from the sale of the Property upon the Effective
17 Date of the Debtor’s Plan, and shall remain current until the case is fully administered,
18 closed, converted or dismissed, whichever occurs first.

19 **6. EXECUTORY CONTRACTS**

20 All executory contracts of the Debtor are assumed and assigned in connection with
21 the sale of the Property as described in section 7.2 below.

22 **7. MEANS OF IMPLEMENTING AND FUNDING THE PLAN**

23 **7.1 Continued Operation of the Business**

24 Debtor shall continue to operate its business of leasing the Property post-confirmation
25 in accordance with the terms of the Settlement Agreement, until close of escrow for the sale
26 of the Property or other deadline as set forth in the Settlement Agreement. Upon cessation
27 of business operations the Debtor will be dissolved.

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1 **7.2 Sale of Property**

2 The Debtor intends to sell the Property in accordance with the terms of the Settlement
3 Agreement, with the proceeds of the sale to be distributed in accordance with the Settlement
4 Agreement and this Plan.

5 **7.3 Compliance With Settlement Agreement**

6 Nothing in this Plan shall supersede, impair, amend or modify any provision of the
7 Settlement Agreement, and in the event of any inconsistency the Settlement Agreement shall
8 control. No provision in this Plan shall modify in any way the rights of U.S. Bank under the
9 Settlement Agreement.

10 **7.4 Revesting of Assets in the Debtor**

11 Upon confirmation of the Plan, all property of the estate of the Debtor shall be
12 revested in the Debtor, pursuant to 11 U.S.C. § 1141(c), which shall retain such property as
13 the Reorganized Debtor to be managed in accordance with the Settlement Agreement.

14 **7.5 Disbursing Agent**

15 The escrow company handling the sale fo the Property shall serve as disbursing agent
16 for the creditors under this Plan. To the extent that the escrow company does not make the
17 disbursements specified in this Plan, such disbursements shall be made by the Debtor.

18 **7.6 Post-Confirmation Litigation**

19 The Debtor does not anticipate any post-confirmation litigation.

20 **7.7 Post-Confirmation Default**

21 In the event the Property is not sold within the time periods specified in the Settlement
22 Agreement, or in the event the Debtor defaults under the terms of the Settlement Agreement,
23 the Class 1 creditor shall be entitled to all remedies specified in the Settlement Agreement,
24 and there shall be no disbursements to Class 2 or 3 creditors.

25 **8. FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN**

26 Pursuant to the Plan, funding will be accomplished by a sale of the Property and
27 Debtor shall be responsible for payment of such taxes. However, the Debtor shall not be
28 responsible for the payment of any transfer taxes associated with the sale of the Property.

1 **9. EXCULPATION**

2 From the Petition Date through the Effective Date, the Debtor and its officers,
3 directors, attorneys, agents and employees shall not have any liability to the Debtor or any
4 other claimants or creditors, or other parties in interest in the Bankruptcy Case for any act or
5 omission in connection with or arising out of the Bankruptcy Case, including, without
6 limitation, prosecuting confirmation of the Plan, confirmation of the Plan, and the
7 administration of the estate, the Plan or the property to be distributed under the Plan, except
8 for gross negligence or wilful misconduct, and in all respects, such persons will be entitled
9 to rely on the advice of counsel with respect to their duties and responsibilities with respect
10 to the Chapter 11 Case and the Plan.

11 **10. MISCELLANEOUS PROVISIONS**

12 (A) Following the Effective Date, the Debtor may continue to employ counsel for
13 necessary legal services. Counsel may be paid from the Debtor without further order of the
14 Court.

15 (B) The estate shall be deemed to be fully administered upon distribution to the
16 Class 1 and Class 2 creditors.

17 **11. RETENTION OF JURISDICTION**

18 The Bankruptcy Court shall retain jurisdiction for the following specific purposes:

19 (A) For the purpose specified in § 1142 of the Bankruptcy Code;

20 (B) The fixing of compensation for the parties entitled thereto;

21 (C) To resolve any disputes regarding interpretation of the Plan, or interpretation,
22 implementation or enforcement of the Settlement Agreement and the order approving the
23 same;

24 (D) To implement the provisions of the Plan and the Settlement Agreement,
25 including all provisions in the Plan and Settlement Agreement which specify the retention
26 of jurisdiction, and to make such further orders as will aid in consummation of the Plan and
27 Settlement Agreement, including, without limitation, enforcement of the Debtor's obligation
28 to turnover all Cash Collateral and Adequate Protection Payments in accordance with the

1 Settlement Agreement;

2 (E) To enter such orders as may be necessary or appropriate to implement or
3 consummate the provisions of this Plan and all contracts, instruments, releases and other
4 agreements or documents created in connection with this Plan, the Disclosure Statement, or
5 the Confirmation Order, and the Settlement Agreement; and

6 (F) Enter a final decree and order closing the case.

7 **DATED** this 30th day of October, 2018.

8 LAW OFFICES OF ALAN R. SMITH

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10 By: /s/ Alan R. Smith
 ALAN R. SMITH, ESQ.
 Counsel for Debtor

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