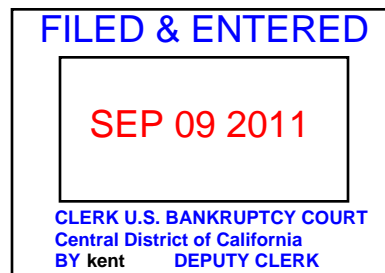


1 James C. Bastian, Jr. – Bar No. 175415
SHULMAN HODGES & BASTIAN LLP
2 8105 Irvine Center Drive, Suite 600
Irvine, California 92618
3 Telephone: (949) 340-3400
Facsimile: (949) 340-3000
4 Email: jbastian@shbllp.com

5 Attorneys for Laguna Village Owners' Association, Inc.,
Debtor and Debtor in Possession



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8 **UNITED STATES BANKRUPTCY COURT**
9 **CENTRAL DISTRICT OF CALIFORNIA,**
10 **SANTA ANA DIVISION**

11 In re
12 **LAGUNA VILLAGE OWNERS'**
ASSOCIATION, INC., a
13 **California non-profit corporation,**
14 Debtor.

Case No. 8:10-bk-24033 RK

Chapter 11

**ORDER CONFIRMING DEBTOR'S CHAPTER
11 REORGANIZATION PLAN**

Plan Confirmation Hearing

Date: August 24, 2011

Time: 11:00 A.M.

Place: Courtroom 5D
411 West Fourth Street
Santa Ana, CA 92701

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19 The hearing on confirmation of the Chapter 11 Reorganization Plan (docket number 98)
20 proposed by Laguna Village Owners' Association, Inc., a California non-profit corporation
21 ("Debtor") was held on August 24, 2011, the Honorable Robert N. Kwan, United States
22 Bankruptcy Judge presiding. Unless otherwise noted, all capitalized terms in this Order shall
23 have the meaning as set forth in the Plan.

24 The Debtor appeared through Shulman Hodges & Bastian LLP by James C. Bastian, Jr.
25 Other appearances were made as reflected in the Court's record.

26 After consideration of:

27 1. The Plan;

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1 2. The Debtor’s Brief in Support of Confirmation of Debtor’s Chapter 11
2 Reorganization Plan (“Confirmation Motion”);

3 3. The declarations of William F. Whalen, James C. Bastian, Jr. and Lorre Clapp
4 filed in support of confirmation of the Plan;

5 4. The records and files in this Chapter 11 case;

6 5. The Debtor’s Confirmation Motion; and

7 6. And for the reasons set forth at the hearing and good cause appearing,

8 **IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:**

9 1. The Plan is confirmed.

10 2. On the Effective Date, the Debtor is authorized, empowered and directed to carry
11 out the provisions of the Plan, and to perform such other acts and execute other documents as are
12 necessary or appropriate in connection with the Plan, and this Confirmation Order, without the
13 necessity of further actions by the Debtor or further Court order, and all such actions shall be
14 deemed to be duly authorized.

15 3. The right to litigate, resolve, and settle any claims of the Estate, including but not
16 limited to, Avoidance Actions, Post-Confirmation Estate Claims and/or objections to claims
17 against the Estate, whether or not the subject of litigation as of the Effective Date, shall be vested
18 solely in the Debtor as of the Effective Date, without the necessity of further Court order, and all
19 such actions shall be deemed to be duly authorized.

20 4. As a result of confirmation of the Plan, the Debtor’s previous obligations to
21 creditors are modified and the terms of repayment of said claims shall be controlled by the Plan.

22 5. After the Effective Date, costs and fees incurred by or to be paid by the Estate
23 shall be paid in the ordinary course of business without this Court’s review and approval, with
24 the exception of any costs and fees of professionals seeking reimbursement for services rendered
25 prior to the Confirmation Date.

26 6. Until all payments are made under the Plan, this Court shall retain jurisdiction
27 over this case to ensure that the purposes and intent of the Plan are carried out. Without limiting
28 the generality of the foregoing, this Court shall retain jurisdiction over this case for all of the

1 purposes as provided in the Plan, including the power to hear any action to recapture assets into
2 the Estate.

3 7. The transactions contemplated by the Plan, as implemented herein, are in
4 compliance with and satisfy all applicable provisions of the Bankruptcy Code and the terms and
5 conditions of the Plan approved by this Confirmation Order are fair and reasonable.

6 8. The terms and provisions of this Confirmation Order and the Plan are binding in
7 all respects upon the Debtor, the Estate and each Creditor whether or not the Claim of such
8 Creditor is impaired under the Plan, and whether or not such Creditor has accepted the Plan and
9 all others holding or asserting Claims or Interests.

10 9. As of the Effective Date, except for as provided in the Plan, all of the assets of the
11 Estate shall revert in the Reorganized Debtor free and clear of any Claims, liens, encumbrances,
12 or interests of Creditors, Interest Holders, parties-in-interest, and other entities. After the
13 Confirmation Date, the disposition of assets of the Estate in accordance with the terms of the
14 Plan whether by sale, settlement or otherwise shall not be subject to or require Court approval.

15 10. The Debtor or its attorney of record in this case shall comply fully with all
16 provisions of Local Bankruptcy Rule 3020-1 and connection therewith file with the Court a
17 status report within one hundred twenty days of entry of this Confirmation Order, and every six
18 months thereafter, describing the progress toward Plan consummation.

19 11. If the Debtor's case is converted to one under Chapter 7, then all property that had
20 been property of the Chapter 11 Estate, and that has not been disbursed pursuant to the Plan, will
21 revert in the Chapter 7 estate and the automatic stay will be reimposed upon the revested
22 property, but only to the extent that relief from stay was not previously authorized by the
23 Bankruptcy Court during this case.

24 12. When the Plan is substantially consummated, the Debtor or its attorney of record
25 in this case may file a motion for a final decree closing the case and the proposed final decree
26 closing this bankruptcy case. Pursuant to Bankruptcy Code Section 1101(2), the term
27 "substantial consummation" shall be defined as the date the first payment is made as required
28 under the Plan. Upon the Debtor making first payment under the Plan, the Debtor shall be

1 entitled to file an motion for a final decree and the proposed final decree closing this bankruptcy
2 case consistent with Federal Rule of Bankruptcy Procedure 3022 and Local Bankruptcy Rule
3 3020-1(c).

4 13. Until the final decree closing this case has been entered, the Debtor shall fully
5 comply with the requirements of the Office of the United States Trustee and in connection
6 therewith, remain current on all quarterly fees payable to the Office of the United States Trustee.

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DATED: September 9, 2011

United States Bankruptcy Judge

NOTE: When using this form to indicate service of a proposed order, **DO NOT** list any person or entity in Category I. Proposed orders do not generate a NEF because only orders that have been entered are placed on the CM/ECF docket.

PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is: **8105 Irvine Center Drive, Suite 600, Irvine, California 92618.**

A true and correct copy of the foregoing document described as **ORDER CONFIRMING DEBTOR'S CHAPTER 11 REORGANIZATION PLAN** will be served or was served (a) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (b) in the manner indicated below:

I. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING ("NEF") – Pursuant to controlling General Order(s) and Local Bankruptcy Rule(s) ("LBR"), the foregoing document will be served by the court via NEF and hyperlink to the document. On **Not Applicable**, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following person(s) are on the Electronic Mail Notice List to receive NEF transmission at the email address(es) indicated below:

Service information continued on attached page

II. SERVED BY U.S. MAIL OR OVERNIGHT MAIL(indicate method for each person or entity served) - On **August 25, 2011**, I served the following person(s) and/or entity(ies) at the last known address(es) in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States Mail, first class, postage prepaid, and/or with an overnight mail service addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

Interested Party – Via U.S. Mail
United States Trustee
Ronald Reagan Federal Building and
United States Courthouse
411 West Fourth Street Suite 9041
Santa Ana, CA 92701-8000

Service information continued on attached page

III. SERVED BY PERSONAL DELIVERY, FACSIMILE TRANSMISSION OR EMAIL (indicate method for each person or entity served): Pursuant to Fed. R. Civ. P. 5 and/or controlling LBR, on **August 25, 2011**, I served the following person(s) and/or entity(ies) by personal delivery, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on the judge will be completed no later than 24 hours after the document is filed.

Judge's Copy – Via Messenger
Honorable Robert N. Kwan
U.S. Bankruptcy Court – Santa Ana
411 West Fourth Street Bin Outside Room 5097
Santa Ana, CA 92701

Service information continued on attached page

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

August 25, 2011

Date

Lorre Clapp

Type Name

/s/ Lorre Clapp

Signature

NOTICE OF ENTERED ORDER AND SERVICE LIST

Notice is given by the court that a judgment or order entitled (*specify*) **ORDER CONFIRMING DEBTOR'S CHAPTER 11 REORGANIZATION PLAN** was entered on the date indicated as "Entered" on the first page of this judgment or order and will be served in the manner indicated below:

I. SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING ("NEF") – Pursuant to controlling General Order(s) and Local Bankruptcy Rule(s), the foregoing document was served on the following person(s) by the court via NEF and hyperlink to the judgment or order. As of **September 8, 2011**, the following person(s) are currently on the Electronic Mail Notice List for this bankruptcy case or adversary proceeding to receive NEF transmission at the email address(es) indicated below.

- James C Bastian jbastian@shbllp.com
- Mark Bradshaw mbradshaw@shbllp.com
- Franklin J Contreras fcontreras@shbllp.com
- Peter L Duncan peterd@psdslaw.com, chelam@psdslaw.com
- Nancy S Goldenberg nancy.goldenberg@usdoj.gov
- Celia L Robles celiarobles@tipthescalesforme.com
- United States Trustee (SA) ustpregion16.sa.ecf@usdoj.gov

Service information continued on attached page

II. SERVED BY THE COURT VIA U.S. MAIL: A copy of this notice and a true copy of this judgment or order was sent by United States Mail, first class, postage prepaid, to the following person(s) and/or entity(ies) at the address(es) indicated below:

Debtor
Laguna Village Owners' Association, Inc.
23300 Santa Vittoria Drive
Laguna Hills, CA 92653

Anthony G Graham
Graham & Martin, LLP
3130 South Harbor Blvd, Ste 250
Santa Ana, CA 92704

Service information continued on attached page

III. TO BE SERVED BY THE LODGING PARTY: Within 72 hours after receipt of a copy of this judgment or order which bears an "Entered" stamp, the party lodging the judgment or order will serve a complete copy bearing an "Entered" stamp by U.S. Mail, overnight mail, facsimile transmission or email and file a proof of service of the entered order on the following person(s) and/or entity(ies) at the address(es), facsimile transmission number(s), and/or email address(es) indicated below:

Service information continued on attached page