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14 **UNITED STATES BANKRUPTCY COURT**
 15 **CENTRAL DISTRICT OF CALIFORNIA**
 16 **SANTA ANA DIVISION**

17 In re

Case No. 8:09-bk-16353-ES

18 PPA HOLDINGS, LLC, a California limited
 19 liability company,

Chapter 7

20 Debtor and
 21 Debtor-in-Possession.

(Substantively Consolidated with Case Nos.
 8:09-bk-16355-ES; 8:09-bk-16358-ES;
 8:09-bk-16361-ES; 8:09-bk-16363-ES;
 8:09-bk-16367-ES; 8:09-bk-16369-ES;
 8:09-bk-16371-ES; 8:09-bk-16372-ES;
 8:09-bk-16378-ES; 8:09-bk-16380-ES;
 8:09-bk-16383-ES; 8:09-bk-16385-ES;
 8:09-bk-16386-ES; 8:09-bk-16388-ES;
 8:09-bk-16390-ES; 8:09-bk-16393-ES;
 8:09-bk-16395-ES; 8:09-bk-16396-ES;
 8:09-bk-16399-ES; 8:09-bk-16402-ES; and
 8:09-bk-16404-ES)

22 X Affects All Debtors

23 Affects PPA HOLDINGS, LLC, a
 24 California limited liability company

25 Affects PACIFIC PROPERTY
 26 ASSETS, LLC, a California limited
 27 liability company

28 Affects PPA RIVERSIDE
 APARTMENTS, a California limited
 liability company

 Affects PACIFIC PROPERTY
 ASSETS II, LLC, a California
 limited liability company

 Affects BELL COVE, LLC, a
 California limited liability company

 Affects COUNTRY CLUB
 GREENS, LLC, a California limited
 liability company

 Affects SYCAMORE SHADOWS,
 LLC, a California limited liability
 company

**STIPULATION BETWEEN THOMAS H.
 CASEY, CHAPTER 7 TRUSTEE, AND
 DEVELOPMENT SPECIALISTS, INC.,
 REGARDING DEVELOPMENT
 SPECIALISTS, INC.'S FINAL
 COMPENSATION**

**Hearing on Final Application for
 Compensation**

DATE: December 6, 2011
TIME: 10:30 a.m.
PLACE: Courtroom 5A
411 W. Fourth Street
Santa Ana, CA 92701

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- 1 — Affects PPA ARIZONA I, LLC, a Delaware limited liability company
- 2
- 3 — Affects PPA ARIZONA II, LLC, a Delaware limited liability company
- 4
- 5 — Affects PPA VISTA VILLAGE, LLC, an Arizona limited liability company
- 6
- 7 — Affects PPA TOWNE CENTER, LLC, a California limited liability company
- 8
- 9 — Affects SUNDANCER APARTMENTS, LLC, a California limited liability company
- 10
- 11 — Affects DOBSON SPRINGS, LLC, an Arizona limited liability company
- 12
- 13 — Affects VILLA ROSE AVENUE, LLC, a California limited liability company
- 14
- 15 — Affects HARBOR VIEW CONDOMINIUMS, LLC, a California limited liability company
- 16
- 17 — Affects PPA OPPORTUNITY FUND, LLC, a California limited liability company
- 18
- 19 — Affects PPA EQUITIES, LLC, a California limited liability company
- 20
- 21 — Affects PPA DESERT VIEW, LLC, a California limited liability company
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- 23 — Affects RIDGEMONT CONDOMINIUMS, LLC, a California limited liability company
- 24
- 25 — Affects VILLA LAS BRISAS CONDOMINIUMS, LLC, a California limited liability company
- 26
- 27 — Affects 2130 GROUP PARTNERSHIP, LLC, an Arizona limited liability company
- 28
- 29 — Affects AAA INVESTMENT PROPERTIES, LLC, an Arizona limited liability company

1 Thomas H. Casey, the chapter 7 trustee (the "Trustee") for the substantively
2 consolidated estates (collectively, the "Estates") of the above-captioned debtors
3 (collectively, the "Debtors"), by and through his counsel of record, and Development
4 Specialists, Inc. ("DSI"), enter into this stipulation regarding DSI's final compensation in
5 the Debtors' cases (the "Stipulation").

6 RECITALS

7 A. The Debtors each filed a voluntary petition under chapter 11 of the
8 Bankruptcy Code on June 26, 2009. By order entered on June 29, 2009, the Court
9 authorized the joint administration of the Debtors' chapter 11 cases, with PPA Holdings,
10 LLC, Case no. 8:09-bk-16353-ES, as the lead case.

11 B. On September 1, 2009, the Court entered the order approving the Debtors'
12 application to employ DSI as its financial consultants [Docket No. 152]. The Court entered
13 a supplemental order regarding DSI's employment on November 17, 2009 [Docket
14 No. 357]. DSI received a retainer in the amount of \$112,552.52 from the Debtors.

15 C. On January 19, 2010, DSI filed its *Application for Payment of Interim Fees*
16 *and/or Expenses* [Docket No. 542] (the "Interim Application"), which sought the allowance
17 and payment of \$210,452.00 in fees and \$30,949.20 in expenses. On March 17, 2010,
18 the Court entered an order granting the Interim Application [Docket No. 668] and allowing
19 DSI \$210,452.00 in fees and \$30,949.20 in expenses, for a grand total of \$241,401.20
20 (the "Fee Award").

21 D. By orders entered on April 6, 2010, and May 14, 2010, Thomas H. Casey
22 was appointed as chapter 11 trustee in the Debtors' cases.

23 E. The Trustee sought to employ DSI, and, on July 27, 2010, the Court
24 entered the order approving Trustee's application and authorizing the Trustee to employ
25 DSI as his chapter 11 consultant [Docket No. 950].

26 F. On August 5, 2010, the Trustee filed a motion for order authorizing the
27 conversion of each of the Debtors' cases to chapter 7 of the Bankruptcy Code. By order
28 entered September 13, 2010, the cases were converted to chapter 7, and on

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1 September 17, 2010, Thomas H. Casey was appointed as chapter 7 trustee in the
2 Debtors' cases.

3 G. The Trustee sought to employ DSI, and, on March 25, 2011, the Court
4 entered the order approving the Trustee's application and authorizing the Trustee to
5 employ DSI as his chapter 7 consultant [Docket No. 1153].

6 H. On September 21, 2011, the Court entered an order substantively
7 consolidating the estates of the Debtors.

8 I. On November 14, 2011, DSI filed its *Application for Payment of Final Fees*
9 *and/or Expenses* [Docket No. 1238] (the "Final Application"), which seeks a total of
10 \$413,353.46 in chapter 11 and chapter 7 fees and expenses, itemized as follows:

- 11 • \$317,072.00 in fees and \$34,970.46 in expenses incurred as
12 chapter 11 consultants for the Debtors;
- 13 • \$53,047.50 in fees and \$247.45 in expenses incurred as chapter 11
14 consultants for the Trustee; and
- 15 • \$7,937.00 in fees and \$79.05 in expenses incurred as chapter 7
16 consultants for the Trustee.

17 Of the \$352,042.46 in fees and costs requested as chapter 11 consultants for the Debtors,
18 \$241,401.20 was previously allowed by the Court pursuant to the Fee Award. DSI has
19 applied \$90,042.02 from retainer to the Fee Award, leaving a retainer balance of
20 \$22,510.50.

21 J. The hearing on the Final Application is set for December 6, 2011.

22 K. The Trustee is seeking to reduce significantly the amount of allowed
23 chapter 11 administrative claims in order to increase the potential payout to creditors
24 holding general unsecured claims against the Estates. DSI desires to have its final
25 compensation determined and paid at this time. Therefore, to avoid and minimize
26 expenses, the Trustee and DSI have negotiated an agreement resolving issues
27 concerning the amount and timing of payment of DSI's final compensation.

28

STIPULATION

NOW, THEREFORE, based on the foregoing recitals, and subject to Bankruptcy Court approval of this Stipulation, the parties stipulate and agree as follows:

1. For purposes of this Stipulation, "Claims" will mean and include debts, duties, obligations, agreements, contracts, covenants, promises, representations, warranties, guaranties, breaches, defaults, damages, injuries, losses, demands, allegations, causes of action, actions, orders, judgments, encumbrances, liens, levies, charges, costs, expenses, attorney's fees and other liabilities and claims of any kind, whether at law or in equity, known or unknown, and concealed or revealed.

2. Subject to allowance by the Court, fees and costs in the total amount of \$353,193.27 shall be allowed and awarded to DSI on a final basis (the "Final Fee Award").

3. Upon the entry of the order approving this Stipulation (the "Effective Date"), the Trustee is authorized and directed to pay to DSI the Final Fee Award, less the \$112,552.52 retainer previously received by DSI, for a grand total to be paid of \$240,640.75 (the "Unpaid Fees"), in full and final payment, settlement and satisfaction of DSI's administrative expense claim(s) and/or any other Claims against the Estates.

4. On the Effective Date, and subject to its receipt of the Unpaid Fees, DSI, on behalf of itself, its successors and assigns, waives and releases any and all Claims against the Trustee and the Estates.

5. In the absence of the Court approving this Stipulation, this Stipulation shall be null, void and of no force, effect or probative value.

6. DSI warrants and represents that it has not pledged, transferred or assigned to any third party any Claim, or basis for any Claim, purportedly being released pursuant to this Stipulation.

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1 7. This Stipulation will inure to the benefit of, and be binding upon, each party
2 to this Stipulation and its successors, assigns, administrators and trustees, including any
3 successor trustee appointed in the Debtors' bankruptcy cases.

4 8. Notwithstanding allowance of the Final Fee Award and payment of the
5 Unpaid Fees pursuant to this Stipulation and/or anything herein to the contrary, the Final
6 Fee Award shall be disgorged to the Trustee, upon request of the Trustee and without
7 further order of the Court, to the extent necessary to (a) pay in full claims allowed by order
8 of the Court that are senior in priority of payment to the Final Fee Award pursuant to 11
9 U.S.C. § 726, or (b) to achieve a *pro rata* distribution among claims allowed by order of
10 the Court that are equal in priority of payment to the Final Fee Award pursuant to 11
11 U.S.C. § 726.

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12
13 Dated: November 15, 2011

WEILAND, GOLDEN,
SMILEY, WANG EKVALL & STROK LLP

14
15 By: 

ROBERT S. MARTICELLO
Counsel for Chapter 7 Trustee,
Thomas H. Casey

16
17
18 Dated: November 15, 2011

DEVELOPMENT SPECIALISTS, INC.

19
20 By: 

GEOFFREY L. BERMAN
Vice President

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 an 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:

650 Town Center Drive, Suite 950, Costa Mesa, California 92626

A true and correct copy of the foregoing document described as **STIPULATION BETWEEN THOMAS H. CASEY, CHAPTER 7 TRUSTEE AND DEVELOPMENT SPECIALISTS, INC., REGARDING DEVELOPMENT SPECIALISTS, INC.'S FINAL COMPENSATION** 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 **November 15, 2011**, 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 **November 15, 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.

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 F.R.Civ.P. 5 and/or controlling LBR, on **November 15, 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.

The Honorable Erithe Smith, 411 W. 4th Street, Suite 2030, Santa Ana, CA 92701

Service information continued on attached page

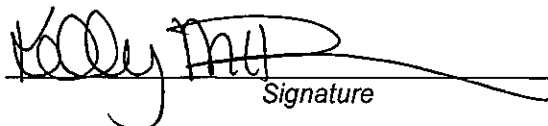
I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

November 15, 2011

Date

Kelly M. Rivera

Type Name



Signature

In re *PPA HOLDINGS, LLC*
A CALIFORNIA LIMITED LIABILITY COMPANY
Case Nos.: 8:09-bk-16353-ES
(Jointly Administered)
Revised: September 8, 2010 (ms)

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