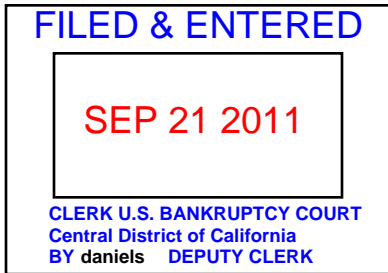


1 **WEILAND, GOLDEN,**
2 **SMILEY, WANG EKVALL & STROK, LLP**
3 Evan D. Smiley, State Bar No. 161812
4 esmiley@wgllp.com
5 Robert S. Marticello, State Bar No. 244256
6 rmarticello@wgllp.com
7 650 Town Center Drive, Suite 950
8 Costa Mesa, California 92626
9 Telephone: (714) 966-1000
10 Facsimile: (714) 966-1002

11 Counsel for Chapter 7 Trustee
12 Thomas H. Casey



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

11 In re
12 PPA HOLDINGS, LLC, a California limited
13 liability company,
14 Debtor and
15 Debtor-in-Possession.

Case No. 8:09-bk-16353-ES
Chapter 7
(Jointly Administered 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)

- 16 Affects All Debtors
- 17 Affects PPA HOLDINGS, LLC, a
California limited liability company
- 18 Affects PACIFIC PROPERTY
ASSETS, LLC, a California limited
19 liability company
- 20 Affects PPA RIVERSIDE
APARTMENTS, a California limited
21 liability company
- 22 Affects PACIFIC PROPERTY
ASSETS II, LLC, a California
23 limited liability company
- 24 Affects BELL COVE, LLC, a
California limited liability company
- 25 Affects COUNTRY CLUB
GREENS, LLC, a California limited
26 liability company
- 27 Affects SYCAMORE SHADOWS,
28 LLC, a California limited liability
company

**ORDER GRANTING MOTION FOR ORDER
AUTHORIZING SUBSTANTIVE
CONSOLIDATION OF THE DEBTORS'
ESTATES**

DATE: September 20, 2011
TIME: 10:30 a.m.
PLACE: Courtroom 5A
411 W. Fourth St.
Santa Ana, CA 92701

Weiland, Golden,
Smiley, Wang Ekvall & Strok, LLP
650 Town Center Drive, Suite 950
Costa Mesa, CA, California 92626
Tel 714 - 966 -1000 Fax 714 - 966 -1002

**Weiland, Golden,
Smiley, Wang Ekvall & Strok, LLP**
650 Town Center Drive, Suite 960
Costa Mesa, California 92626
Tel 714 - 966 - 1000 Fax 714 - 966 - 1002

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

**Weiland, Golden,
Wang Ekvall & Strok, LLP**
650 Town Center Drive, Suite 960
Costa Mesa, California 92626
Tel 714 - 966 -1000 Fax 714 - 966 -1002

1 On September 20, 2011, at 10:30 a.m., in the above-captioned court, a hearing
2 was held on the *Motion for Order Authorizing the Substantive Consolidation of the*
3 *Debtors' Estates* [Docket No. 1213] (the "Motion") filed by Thomas H. Casey, the chapter
4 7 trustee (the "Trustee") for the jointly administered bankruptcy estates of the above-
5 captioned debtors (each, a "Debtor" and collectively, the "Debtors"). All appearances
6 were as noted in the record.

7 This Court, having considered the Motion, all papers, pleadings and evidence filed
8 or offered in support thereof and in opposition thereto, the statements and arguments of
9 counsel and any oral testimony or other evidence made or presented on the record of the
10 hearing on the Motion, and such other laws, facts, circumstances and evidence as the
11 Court may have deemed appropriate; finding that notice of the hearing on the Motion and
12 service of the Motion were proper, and that creditors dealt with the Debtors as a single
13 economic unit and did not rely on their separate identity in extending credit, and that the
14 affairs of the Debtors are so entangled that substantive consolidation will benefit all
15 creditors; and after due deliberation and sufficient cause appearing therefor,

16 **IT IS HEREBY ORDERED** that:

- 17 1. The Motion is granted; and
18 2. The estates of the following Debtors are hereby substantively consolidated
19 with the estate of PPA Holdings, LLC (Case No. 8:09-bk-16353-ES) (the "Consolidated
20 Estate"):
- 21 a. 2130 Group Partnership, LLC (Case No. 8:09-16355-ES);
 - 22 b. Pacific Property Assets, LLC (Case No. 8:09-16358-ES);
 - 23 c. PPA Riverside Apartments, LLC (Case No. 8:09-bk-16361-ES);
 - 24 d. Pacific Property Assets II, LLC (Case No. 8:09-bk-16363-ES);
 - 25 e. Bell Cove, LLC (Case No. 8:09-bk-16367-ES);
 - 26 f. Country Club Greens, LLC (Case No. 8:09-bk-16369-ES);
 - 27 g. Sycamore Shadows, LLC (Case No. 8:09-bk-16371-ES);
 - 28 h. PPA Arizona I, LLC (Case No. 8:09-bk-16372-ES):

**Weiland, Golden,
Smiley, Wang Ekvall & Strok, LLP**
650 Town Center Drive, Suite 960
Costa Mesa, California 92626
Tel 714 - 966 -1000 Fax 714 - 966 -1002

- 1 i. PPA Arizona II, LLC (Case No. 8:09-bk-16378-ES);
- 2 j. PPA Vista Village, LLC (Case No. 8:09-bk-16380-ES):
- 3 k. PPA Towne Center, LLC (Case No. 8:09-bk-16385-ES);
- 4 l. Sundancer Apartments, LLC (Case No. 8:09-bk-16383-ES);
- 5 m. Dobson Springs, LLC (Case No. 8:09-bk-16386-ES);
- 6 n. Villa Rose Avenue Condominiums, LLC (Case No. 8:09-bk-16388-
- 7 ES);
- 8 o. HarborView Condominiums, LLC (Case No. 8:09-bk-16390-ES):
- 9 p. PPA Opportunity Fund, LLC (Case No. 8:09-bk-16393-ES);
- 10 q. PPA Equities, LLC (Case No. 8:09-bk-16395-ES):
- 11 r. PPA Desert View, LLC (Case No. 8:09-bk-16396-ES);
- 12 s. Ridgemont Condominiums, LLC (Case No. 8:09-bk-16402-ES):
- 13 t. Villa Las Brisas Condominiums, LLC (Case No. 8:09-bk-16399-ES);
- 14 and
- 15 u. AAA Investment Properties, LLC (Case No. 8:09-bk-16404-ES).
- 16 3. The assets of each of the Debtors' estates shall be deemed and treated as
- 17 the assets of the Consolidated Estate;
- 18 4. The claims filed or asserted against each of the Debtors shall be deemed
- 19 and treated as claims against the Consolidated Estate;
- 20 5. The claims between and among the Debtors are eliminated;
- 21 6. Duplicate claims filed by the same creditor against one or more Debtors are
- 22 disallowed;
- 23 7. Notwithstanding the relief provided herein or anything in the Motion or this
- 24 Order to the contrary, nothing herein shall affect any claims of the Debtors against any
- 25 third parties, including, without limitation, claims of the Debtors under 11 U.S.C. §§ 544-
- 26 551, *et seq.*, and all applicable state and federal laws; and
- 27 8. Notwithstanding the relief provided herein or anything in the Motion or this
- 28 Order to the contrary, all claims, causes of action, or proceedings asserted or commenced

1 by one or more of the Debtors or on behalf of one or more of the Debtors against third
2 parties shall be deemed to remain in the bankruptcy estate(s) of the subject Debtor(s) to
3 the extent it is necessary to sustain and maintain such claims, causes of action, or
4 proceedings, including, but not limited to, in response to challenges of standing and
5 jurisdiction to hear and decide such matters.

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**Weiland, Golden,
Smiley, Wang Ekvall & Strok, LLP**
650 Town Center Drive, Suite 960
Costa Mesa, California 92626
Tel 714 - 966 - 1000 Fax 714 - 966 - 1002

DATED: September 21, 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 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 **ORDER GRANTING MOTION FOR ORDER AUTHORIZING SUBSTANTIVE CONSOLIDATION OF THE DEBTORS' ESTATES** 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 _____, 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 _____, 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 **September 20, 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 Hon. Erithe Smith, United States Bankruptcy Court, 411 E. 4th Street, 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.

9/20/11

Date

Margaret Sciesinski

Type Name

/s/ Margaret Sciesinski

Signature

NOTE TO USERS OF THIS FORM:

- 1) Attach this form to the last page of a proposed Order or Judgment. Do not file as a separate document.
- 2) The title of the judgment or order and all service information must be filled in by the party lodging the order.
- 3) **Category I.** below: The United States trustee and case trustee (if any) will always be in this category.
- 4) **Category II.** below: List ONLY addresses for debtor (and attorney), movant (or attorney) and person/entity (or attorney) who filed an opposition to the requested relief. DO NOT list an address if person/entity is listed in category I.

NOTICE OF ENTERED ORDER AND SERVICE LIST

Notice is given by the court that a judgment or order entitled (*specify*) **ORDER GRANTING MOTION FOR ORDER AUTHORIZING SUBSTANTIVE CONSOLIDATION OF THE DEBTORS' ESTATES** 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 20, 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:

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:

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

SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING ("NEF")

Raymond G Alvarado ralvarado@alvaradosmith.com
Melody G Anderson manderson@hemar.com
John A Boyd fednotice@tclaw.net
Brendt C Butler bbutler@mandersonllp.com
Frank Cadigan frank.cadigan@usdoj.gov
Robert J Campo rcampo@robertcampolaw.com
Thomas H Casey (TR) msilva@tomcaseylaw.com, tcasey@ecf.epiqsystems.com
Michael A Cisneros mcisneros@mac.com
Caroline Djang cdjang@rutan.com
Lynsey M Eaton leaton@gglts.com
Richard W Esterkin resterkin@morganlewis.com
Jeffrey K Garfinkle bkgroup@buchalter.com, jgarfinkle@buchalter.com;jmealey-hatch@buchalter.com;docket@buchalter.com
Nancy S Goldenberg nancy.goldenberg@usdoj.gov
Michael D Good mgood@southbaylawfirm.com
Catherine M Guastello cguastel@quarles.com
Robert P Harris robert.harris@quarles.com
Paul T Johnson ptj@paultjohnson.com, admin@ptjlaw.com;desiree@ptjlaw.com
Clifford P Jung clifford@jyllp.com, info@jyllp.com
Paul H Kim Pkim@counsel.lacounty.gov
Kelly L Kress kkress@nixonpeabody.com
Leib M Lerner leib.lerner@alston.com
Adriene Lynch adriene.lynch@alston.com
William Malcolm bill@mclaw.org
Robert S Marticello Rmarticello@wglp.com
Randall P Mroczynski randym@cookseylaw.com
Aron M Oliner roliner@duanemorris.com
Penelope Parmes pparmes@rutan.com
Eric S Pezold epezold@swlaw.com, dwlewis@swlaw.com
Russell H Rapoport rrapoport@prllplaw.com, lgillis@prllplaw.com
Todd C. Ringstad becky@ringstadlaw.com
Anthony J Rothman anthony@arothmanlaw.com
Kenneth N Russak krussak@frandzel.com, efiling@frandzel.com;ltokubo@frandzel.com
Nanette D Sanders becky@ringstadlaw.com
Scott A Schiff sas@soukup-schiff.com
Evan D Smiley esmiley@wglp.com
Timothy A Spivey tspivey@rutan.com
Philip E Strok pstrok@wglp.com
Douglas G Tennant dtennant@frankel-tennant.com
Wayne R Terry wterry@hemar-rousso.com
United States Trustee (SA) ustpreion16.sa.ecf@usdoj.gov
Kent VanDerSchuit kentv@vanderschuitlawgroup.com, taylorg@vanderschuitlawgroup.com
Victor A Vilaplana vavilaplana@foley.com
Michael A Wallin mwallin@sheppardmullin.com
Jennifer H Wang jwang@cookseylaw.com, jodom@cookseylaw.com
Madeleine C Wanslee mwanslee@gustlaw.com, rstein@gustlaw.com
Michael J. Weiland mweiland@wglp.com
Sharon Z Weiss sharon.weiss@hro.com, raul.morales@hro.com
Katherine M Windler katherine.windler@bryancave.com

E-SERVICE LIST (as provided by PPA Holdings)

stanleyoepstein@aol.com; reps999647@aol.com; rcb@ebslaw.net; stern123@earthlink.net; preamel@aol.com;
richmathias@msn.com; bfischer@morganlewis.com; mcnichol@gustlaw.com; sandrkb18@comcast.net;
akailesa@cs.com; gberman@dsi.biz; beverlyross@dc.rr.com; gr81ady11@yahoo.com; gr8lady11@yahoo.com;
jstiehl@sbcglobal.net; janj40ish@aol.com; chuck.schultz@cox.net; mstewart@pparealestate.com;
bjamesfischer@msn.com; robert77cambell@peoplepc.com; rharris@quarles.com; robert.harris@quarles.com;
bbutler@rutan.com; pparmes@rutan.com; rcampo@robertcampolaw.com; resterkin@morganlewis.com;
nancy.goldenberg@usdoj.gov; rrapoport@prllplaw.com; lgillis@prllplaw.com; anthony@arothmanlaw.com;
krussak@frandzel.com; efiling@frandzel.com; banderson@frandzel.com; sas@soukup-schiff.com; dtennant@frankel-
tenant.com; wterry@hemar-rousso.com; mwanslee@gustlaw.com; rstein@gustlaw.com; sweiss@richardsonpatel.com;
brian.sirower@quarles.com; lori.winkelman@quarles.com; tim.thomason@mwmf.com; roliner@duanemorris.com;
kkress@nixonpeabody.com; curtis@jyllp.com; mary@bubblesofjoy.com; lramos@ttc.lacounty.gov; bill@mclaw.org;
randym@cookseylaw.com; fednotice@tclaw.net; ca2nlaw@yahoo.com; drin@ymail.com;
taylorg@vanderschuitlawgroup.com; leaton@ggits.com; dwlewis@swlaw.com; dcarter714@peoplepc.com;
msalustro@tomcaseylaw.com; tcasey@ecf.epiqsystems.com; mstewart@apartmentsamerica.com;
kentv@vanderschuitlawgroup.com; mhensley@adorno.com; tnkailes@gmail.com; krajkanan@hotmail.com