

SIGNED.

Dated: September 23, 2011



James M. Marlar

James M. Marlar, Chief Bankruptcy Judge

CLERK: Please docket this in each of the Debtor's cases.

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

In re:)	Chapter 11
TUSCAN RANCH, INC.)	No. 0-10-bk-14417-JMM
)	No. 0-10-bk-17298-JMM
Debtor.)	No. 0-10-bk-18431-JMM
In re:)	No. 0-10-bk-18432-JMM
CACTUS WEST DEVELOPERS, LLC.)	No. 0-10-bk-27643-JMM
)	(Jointly Administered)
Debtor.)	
In re:)	MEMORANDUM DECISION
TODD AND JENNIFER BURCH,)	
)	
Debtors.)	
In re:)	
TODD BURCH, LTD.,)	
)	
Debtor.)	
In re:)	
NFLUX, LLC,)	
)	
Debtor.)	

INTRODUCTION

Before the court is a request for stay relief, made in each of the related cases, by AEA Federal Credit Union ("AEA"). A hearing was held on September 23, 2011. Appearances and argument were made. The court took the matter under advisement.

1 In order to better understand the parties' concerns, it is necessary to quickly review
2 the status of each case.

3
4 **TODD BURCH, LTD.**

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6 This entity filed a Chapter 11 petition on June 11, 2010. Schedules for the entity
7 revealed no real property holdings, and limited personalty, to wit:

8 Bank Account	\$ 6,265.43
9 Furniture	\$ 2,500.00

10 There were no secured creditors, and only seven (7) unsecured creditors, whose aggregate debt is
11 \$183,664.35. Of this amount, \$167,894.35 (91%) is owed to AEA.

12 Counsel received a \$10,000 retainer for this case.

13 The Debtor filed a plan on March 31, 2011, which was heard on August 19, 2011.
14 Plan confirmation was denied.

15 Since then, no new plan has been filed.

16
17 **TODD AND JENNIFER BURCH**

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19 The Burches, individually, filed for Chapter 11 relief on June 11, 2010.

20 Their assets consisted of their personal residence, secured by a lien, and a routine
21 assortment of personal property, which they valued at \$44,262.49. Most of their property is exempt.
22 Most of the significant assets are also encumbered by liens. They listed unsecured debt of
23 \$9,227,697. There is one insider debt of \$25,000. Excluding it, of the remaining \$9,202,697 in
24 unsecured debt, fully 99% or \$9,127,131, is owed to AEA on continuing guarantees.

25 A plan was filed on March 10, 2011, but confirmation was denied on August 19, 2011.

26 No new plan has been filed since that date.

1 **CACTUS WEST DEVELOPERS, LLC**

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3 This Chapter 11 was filed on June 2, 2010. Its schedules reflect the following debts
4 and assets:

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6

<u>Real Property</u>	<u>Secured Debt</u>	<u>Creditor</u>
7 50 acres	\$1,771,583	AEA
8 3 acres	\$4,052,953	AEA
9 40 acres	\$3,134,700	AEA

10 Other principal assets include an account receivable from another debtor entity,
11 Tuscan Ranch, and some growing alfalfa, valued on the petition date at \$360,000.

12 There is only one unsecured creditor, an engineering company, which is owed
13 \$18,193.

14 Thus, AEA is also the major creditor in this case, secured by the Debtor's real
15 property.

16 A \$50,000 retainer was agreed to be paid for the attorneys' services in this case.

17 An amended reorganization plan was filed on March 10, 2011. However, it failed to
18 be confirmed at hearing held on August 19, 2011.

19 Since then, no new plan has been filed.
20

21 **TUSCAN RANCH, INC.**

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23 This voluntary Chapter 11 was filed on May 11, 2010.

24 The real property assets of this Debtor involve four parcels of land, each valued
25 between \$220 - \$225,000. All are secured by liens to AEA. The secured debts of AEA exceed the
26 values ascribed to each property.¹
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¹ One of the properties was sold during the Chapter 11 (ECF No. 46).

1 capable of reorganization, such would have happened by this time.

2 It is prejudicial to continue to restrain creditors, with legitimate secured interests, from
3 now exercising their legal remedies. Thus, the automatic stay of 11 U.S.C. §362 should be
4 dissolved and lifted.

5 Cause has been shown to lift the stays as to AEA on all of its secured collateral.

6 Counsel for AEA shall submit appropriate forms of orders, one for each of the jointly
7 administered cases.

8

9 DATED AND SIGNED ABOVE.

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11 To be NOTICED by the BNC ("Bankruptcy Noticing Center") to:

12 Attorney for Debtors

13 Gregory John Gnepper, Attorney for AEA Federal Credit Union

14 Office of the U.S. Trustee

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