

UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

ALLEN TOWNSHIP
AUG 7 2009
HARRISBURG

_____	:	
In re:	:	Chapter 11
TH PROPERTIES, L.P., <i>et al.</i> ¹	:	Case No. 09-13201 (SR)
Debtors.	:	Jointly Administered
_____	:	
TH PROPERTIES, L.P., <i>et al.</i>	:	
Plaintiffs	:	
v.	:	
ALLEN TOWNSHIP, <i>et al.</i>	:	Adversary Proc. No. 09-00171
Defendants.	:	
_____	:	

**ORDER CONTINUING PRELIMINARY
INJUNCTION STAYING CERTAIN BOND CLAIMS**

AND NOW, this 30TH day of July, 2009, upon consideration of the Motion of the above-captioned Debtors and Debtors in Possession (the "Debtors") for Preliminary Injunction Under Section 105(a) of the Bankruptcy Code Staying Draws and Claims Against their Bonds (the "Motion"); this Court, having held a hearing on June 2, 2009 and issued an Order for Preliminary Injunction Staying Bond Claims (Docket No. 26) staying certain claims for 60 days, and now having held a further hearing on July 30, 2009 to consider whether or not to continue

¹ The Debtors and the last four digits of their taxpayer identification numbers are: TH Properties, L.P. (4545); TH Properties of New Jersey, L.P. (5640); Northgate Development Company, LP (8803); Morgan Hill Drive, LP (4624); TH Properties, Inc. (1947). The principal place of business for the Debtors is 345 Main Street, Harleysville, PA 19438.

such injunction for a further period of time; and the Court incorporating by reference its prior findings and further finding that:

A. Since the June 2, 2009 hearing the Debtor has obtained cash collateral orders or DIP financing to resume construction at its Westport Farms, Belmont II, Hawthorne and Cliffside Manor projects;

B. Since the June 2, 2009 hearing the Debtor proposed a multi-project DIP financing agreement with Continental Bank which would have allowed it to resume construction at its Barton Ridge, Coddington View, Kingston Hill III, Kingston Hill IV, Northgate I and Whitfield Estates projects; the Court did not approve the multi-project DIP financing.

C. The project lenders on such projects represented to the court, and in some cases presented evidence at the hearing, that they had offered to and/or would be willing to extend DIP financing for the completion of the project(s) on which they were the pre-petition lender, and in some cases argued to the Court that the project by project financing they would offer was on more favorable terms than the proposed multi-project DIP;

D. With respect to the Northgate I project, the Debtors have since reached an agreement with the project lender on that project, Wilmington Trust Company, for DIP financing to resume construction at that project;

E. The Debtors are negotiating with the project lender for the Biltmore and Northgate II and III projects, Bank of America, for DIP financing to resume construction on these projects;

F. In addition, the Debtors have obtained DIP financing from Hyperion Bank (approved by the Court) to resume construction at its Cliffside Manor project.

IT IS HEREBY ORDERED THAT:

1. The Order for Preliminary Injunction Staying Bond Claims (Docket No. 26) shall remain in place for 45 days as to the following Townships/Entities and shall continue to restrain Enforcement Actions (as defined in such order) by those Townships/Entities, but only as to the specific projects listed below:

Township or Entity	Project
Skippack Township	Biltmore
Upper Pottsgrove Township and Pottstown Borough Authority	Coddington View
Hatfield Township and Hatfield Township Municipal Authority	Westport Farms
North Penn Water Authority	Westport Farms Biltmore
New Hanover Township and New Hanover Township Authority	Hawthorne
New Hanover Township and New Hanover Township Authority	Kingston Hill
Franconia Township	Belmont II (but the continued injunction as to Franconia does not extend bonds on the portion of the Westport Farms project in Franconia Twp.)
Upper Hanover Authority and Upper Hanover Township	Northgate I, II and III
International Fidelity Insurance Company	Bonding Co. at various of the Debtors' Projects; injunction extends only to bonds on the projects listed in this paragraph

Bond Safeguard Insurance Company	Bonding Co. at various of the Debtors Projects; injunction extends only to bonds on the projects listed in this paragraph
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2. The Order for Preliminary Injunction Staying Bond Claims (Docket No. 26) shall remain in place on the terms and conditions set forth in that order.

3. The preliminary injunction shall no longer remain in place as to any Township or Entity not listed in paragraph 1 of this order.

4. Plaintiff has agreed to provide the following within the 45 day continuation of the stay:

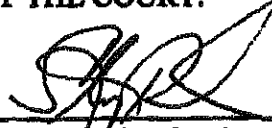
a. For the Belmont project – Plaintiff will provide Franconia Twp with an update on the site improvements to be completed pursuant to the cash collateral order and that they intend to complete, and if there are any required improvements that are not in their budget for completion, the Township reserves the right to seek to remove those improvements from the stay at the next hearing.

b. For the Hawthorne project - Plaintiff will provide New Hanover Twp with an update on the site improvements to be completed pursuant to the cash collateral order and that they intend to complete, and if there are any required improvements that are not in their budget for completion, the Township reserves the right to seek to remove those improvements from the stay at the next hearing.

c. For the Kingston Hill project -- Plaintiff will designate for New Hanover Township a contractor who will plow the roads this winter (when necessary) to be paid by THP, or if not this item (plowing at Kingston Hill) will be removed from the stay at the next hearing .

5. A continued hearing shall be held at 9/10/2009, 2009. AT 10⁰⁰ A.M.

BY THE COURT:



The Honorable Stephen Raslavich,
Chief, United States Bankruptcy Judge

Interested Parties:

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