UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF NORTH CAROLINA
CHARLOTTE DIVISION

IN RE:	Chapter 11
BRD LAND & INVESTMENT *et al.*,	Case No. 26-30215
Debtors.	(Jointly Administered)

OBJECTION OF WASTE MANAGEMENT PROS OF THE CAROLINAS, LLC TO CONFIRMATION OF THE DEBTORS' JOINT AMENDED PLAN OF LIQUIDATION

Waste Management Pros of the Carolinas, LLC ("WMP"), by and through its undersigned counsel, as a creditor and party in interest in the above-captioned chapter 11 cases, hereby files this objection (the "Objection") to confirmation of the Joint Amended Plan of Liquidation [DE 256] (the "Plan") filed by the Debtors on June 12, 2026, and respectfully states as follows:

PRELIMINARY STATEMENT

WMP holds a secured claim in the amount of $161,906.58, collateralized dollar-for-dollar by a cash bond that BRD Land & Investment ("BRD") posted with the Union County Clerk of Superior Court on October 9, 2025. By operation of N.C. Gen. Stat. §§ 44A-16(a)(5) and 44A-20(f), the posting of that bond discharged WMP's construction lien on the Yarbrough Farms property and substituted the cash bond as the security for WMP's claim. WMP's secured status therefore attaches to a segregated cash fund, not to any real property that the Debtors' estate will sell under the Plan.

The Plan presumptively places WMP's secured claim in Class 5, the "Other Secured Claims" catch-all. However, the Class 5 treatment mechanism pays holders only from "Net Sale Proceeds" of a sale of property "in which holders of Other Secured Claims . . . hold a security interest." Because WMP's lien was discharged and its collateral is now a cash fund held by the

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Clerk of Court – not any real property the estate will sell – the Class 5 mechanism is inoperable as to WMP and yields zero recovery on a fully cash-collateralized claim.

This structural defect in the Plan creates three independent grounds on which WMP objects:

First, the Plan fails to comply with 11 U.S.C. § 1129(a)(1) because it neither specifies adequate treatment for WMP's secured claim as required by § 1123(a)(3) nor provides equal treatment within Class 5 as required by § 1123(a)(4).

Second, the Plan fails the best-interests-of-creditors test of 11 U.S.C. § 1129(a)(7) as to WMP's secured claim, because WMP would recover the full value of the cash bond in a chapter 7 liquidation but receives nothing under the Plan.

Third, the Plan cannot be crammed down under 11 U.S.C. § 1129(b) because it is not "fair and equitable" as to WMP's fully cash-collateralized secured claim.

WMP respectfully requests that the Court deny confirmation unless the Plan is modified to (i) recognize the cash bond as WMP's collateral securing its claim, (ii) provide that WMP shall be paid from the bond up to $161,906.58, and (iii) expressly carve WMP's bond rights out of the Plan's permanent injunction (§ 9.9) and lien-cancellation/vesting provisions (§ 10.1).

JURISDICTION AND VENUE

This Court has jurisdiction over this contested matter pursuant to 28 U.S.C. §§ 1334(a) and (b). This is a core proceeding under 28 U.S.C. § 157(b)(2)(A) and (L). Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory predicate for this Objection is 11 U.S.C. § 1129, and this Objection is filed in accordance with Federal Rule of Bankruptcy Procedure 3020.

FACTUAL AND PROCEDURAL BACKGROUND

A. The Bankruptcy Cases

1. On February 24, 2026 (the "Petition Date"), BRD; BRDL Warden Station, LLC; and BRDL Warden Station Holding Co, LLC (collectively, the "Debtors") each filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. These cases are jointly administered under Case No. 26-30215.

2. These are liquidating chapter 11 cases. On June 12, 2026, the Debtors filed their Joint Amended Plan of Liquidation [DE 256]. The Plan appoints Cole Hayes of Hayes Law as Liquidating Agent.

B. WMP's Services and Claims

3. WMP provided design services, labor, materials, soil testing, engineering and design for water treatment and irrigation systems, and related permitting on multiple BRD land-development projects, including City Lake, Clark Tract, Rehobeth, Riverview, Saluda Farms, Yarbrough Farms, and Serenity.

4. As set forth in WMP's proof of claim, WMP's total prepetition claim as of the Petition Date is $1,461,050.27. WMP has bifurcated its claim into: (a) a secured claim of $161,906.58, secured by the cash bond described below; and (b) a general unsecured claim of $1,299,143.69.

C. The Construction Lien, State Court Action, and Cash Bond

5. On March 10, 2025, WMP filed a Claim of Lien on Real Property under N.C. Gen. Stat. § 44A-7 *et seq.* against BRD's Yarbrough Farms property in Union County, North Carolina (File No. 25M000090-890), in the amount of $161,906.58 plus interest and fees.

6. On August 29, 2025, WMP filed a lien-enforcement and breach-of-contract action, *Waste Management Pros of the Carolinas, LLC v. BRD Land & Investment, LP*, File No. 25-CVS-004436-890, in Union County Superior Court (the "Union County Action"), asserting causes of

action for breach of contract, unjust enrichment, and perfection and foreclosure of its claim of lien under N.C. Gen. Stat. Ch. 44A, Article 2.

7. On October 9, 2025, BRD posted a cash bond in the amount of $161,906.58 with the Union County Clerk of Superior Court (the "Cash Bond") pursuant to N.C. Gen. Stat. §§ 44A-16(a)(5) and 44A-20(f).

8. The Notice of Cash Bond Deposit states that the Cash Bond "shall discharge the lien" previously filed by WMP, that the bond "is expressly limited to the amount, if any, finally determined by proper judicial proceeding(s) owed to" WMP, and that upon a showing that the lien "is judicially or voluntarily discharged and/or satisfied . . . the Clerk shall promptly release this cash bond . . . to BRD."

9. Under N.C. Gen. Stat. §§ 44A-16(a)(5) and 44A-20(f), the posting of the Cash Bond discharged WMP's construction lien on the Yarbrough Farms real property and substituted the Cash Bond as a *substitute res* securing WMP's claim. WMP's secured status now attaches exclusively to the segregated cash fund deposited with the Clerk of Court and *not* to any real property of BRD or the estate. WMP's proof of claim expressly acknowledges that the Cash Bond "substituted cash for the real property as security" and "constitutes collateral securing WMP's claim in the amount of $161,906.58."

10. The Debtors' Schedules [DE 95] list WMP's claim at $0.00, contingent, unliquidated, and disputed.

D. The Amended Plan and Its Class 5 Treatment

11. The Plan establishes nine classes of claims and interests. Classes 1 through 4 provide for specific secured claims. Class 5 is the residual "Other Secured Claims" class. Classes

6, 7, and 8 address priority, general unsecured, and unsecured deficiency claims, respectively. Class 9 consists of equity interests. All of Classes 1 through 8 are impaired and entitled to vote.

12. Section 4.3.5.1 of the Plan defines Class 5 as consisting of "all Other Secured Claims, which are Secured Claims not treated in Classes 1 through 4 above." WMP's secured claim presumptively falls within Class 5.

13. Section 4.3.5.2 provides the treatment for Class 5 claims. In relevant part, it states that "the Net Sale Proceeds attributable to any such sale in which holders of Other Secured Claims that become Allowed Claims hold a security interest (subject to prior liens, if any) shall be distributed to such holders of Other Secured Claims that become Allowed Claims up to the full amount of such holders' Other Secured Claims." Payment is triggered either "(a) at the Effective Date or (b) upon closing of the sale for which the Other Secured Claims are secured."

14. "Net Sale Proceeds" is a defined term under Section 1.2.48 of the Plan. It means: "All proceeds of the Clark Sale, the Pinewood Sale, and/or the Warden Station Sale less reasonable and customary closing costs and expenses, and less any costs and expenses imposed under Section 506(c) of the Bankruptcy Code." The Clark Sale, Pinewood Sale, and Warden Station Sale are specific real properties identified in the Plan. *None* of these properties is the Yarbrough Farms property, and WMP holds no lien on any of them.

15. Because WMP's construction lien was discharged by operation of law and its collateral is the Cash Bond – not any real property the estate will sell – the Class 5 payment trigger (a "sale in which [the] holder holds a security interest") never occurs with respect to WMP's secured claim. Thus, the operation of the Plan produces zero recovery for WMP on its fully cash-collateralized claim.

16. Section 9.9 of the Plan establishes a permanent injunction barring all persons from "collecting, prosecuting, enforcing, levying, attaching, perfecting, or otherwise asserting against the Debtors or the Wind-Up Debtors or their assets" any prepetition claim or interest, subject only to limited exceptions for Plan distributions.

17. Section 10.1 provides that on the Effective Date, all assets shall vest in the Wind-Up Debtors "free and clear of any and all claims, liens, interests, charges, or encumbrances," and that "this Plan releases, cancels, and otherwise terminates all liens against assets vesting in the Wind-Up Debtors existing prior to Confirmation."

18. Section 6.5 of the Plan reserves the Debtors' right to seek confirmation under the cramdown provisions of 11 U.S.C. § 1129(b) as to any impaired class that rejects or is presumed to reject the Plan.

19. Section 11.2 defines the Effective Date as "the first Business Day following the thirtieth (30th) day after the day upon which the Confirmation Order becomes a Final Order."

ARGUMENT

I. The Plan Cannot Be Confirmed Because It Fails to Provide Any Cognizable Treatment for WMP's Cash-Bond-Secured Claim, in Violation of 11 U.S.C. § 1129(a)(1).

Section 1129(a)(1) of the Bankruptcy Code provides that the court shall confirm a plan only if "[t]he plan complies with the applicable provisions of this title." Among those provisions are 11 U.S.C. §§ 1122 and 1123. Section 1123(a)(3) mandates that a plan "specify the treatment" of each class of claims that is impaired under the plan. Section 1123(a)(4) requires that a plan "provide the same treatment for each claim or interest of a particular class."

While WMP does not challenge the presumptive classification of its secured claim within Class 5 under § 1122(a), the Class 5 *treatment* mechanism is inoperable as applied to WMP's

claim. The Plan's distribution mechanism for Class 5 is triggered by "any such sale in which holders of Other Secured Claims . . . hold a security interest." Plan § 4.3.5.2. But WMP holds no security interest in any property that the estate will sell. WMP's construction lien on the Yarbrough Farms property was *discharged* by operation of N.C. Gen. Stat. §§ 44A-16(a)(5) and 44A-20(f) when BRD posted the Cash Bond. WMP's collateral is now a segregated cash fund held by the Union County Clerk.

Moreover, "Net Sale Proceeds" – the only source of payment identified for Class 5 claims – is defined in Section 1.2.48 to include *only* the proceeds of the Clark Sale, the Pinewood Sale, and/or the Warden Station Sale. None of those sales involves the Yarbrough Farms property or the Cash Bond. Accordingly, the Class 5 treatment "specifies" no payment mechanism that can ever be triggered for WMP's claim, in violation of § 1123(a)(3).

The treatment also violates § 1123(a)(4)'s mandate of equal treatment within a class. Other Class 5 claimants will be paid from Net Sale Proceeds upon sales of the Clark, Pinewood, or Warden Station properties. WMP, by contrast, holds collateral of equivalent or greater liquidity (cash) yet receives nothing under the terms of the Plan. This disparity is not a product of differing collateral values; it is a structural gap in the Plan's payment mechanics.

Because the Plan does not comply with §§ 1123(a)(3) and 1123(a)(4) as applied to WMP's Class 5 secured claim, it cannot be confirmed under § 1129(a)(1).

II. The Plan Fails the Best Interests of Creditors Test of 11 U.S.C. § 1129(a)(7) as to WMP's Secured Claim.

Section 1129(a)(7)(A)(ii) of the Bankruptcy Code requires that, with respect to each impaired class of claims, each holder of a claim that has not accepted the plan will "receive or retain under the plan on account of such claim . . . a value, as of the effective date of the plan, that

is not less than the amount that such holder would so receive or retain if the debtor were liquidated under chapter 7 of this title on such date."

In a hypothetical chapter 7 liquidation, WMP would retain its interest in the Cash Bond on deposit with the Union County Clerk of Superior Court. The Cash Bond is a segregated cash fund that is not property of the estate available for distribution to other creditors; it is held by a third-party as a *substitute res* securing WMP's claim. WMP would prosecute the Union County Action, and upon liquidation of the amount owed, collect from the Cash Bond up to the full $161,906.58. WMP's hypothetical chapter 7 recovery on its secured claim is therefore dollar-for-dollar the value of its collateral, up to $161,906.58.

Under the Plan as written, the Class 5 payment mechanism provides no distribution path for WMP's claim, which means WMP's recovery under the Plan on its secured claim is *zero*. This is plainly less than the $161,906.58 WMP would recover in a chapter 7 liquidation.

III. The Plan Is Not Fair and Equitable and Cannot Be Crammed Down as to WMP's Secured Claim Under 11 U.S.C. § 1129(b).

Section 6.5 of the Plan expressly reserves the Debtors' right to seek confirmation under 11 U.S.C. § 1129(b) as to any impaired class that rejects the Plan. For the reasons above, WMP rejects the Plan as proposed. Accordingly, the Plan must satisfy the cramdown requirements of § 1129(b)(1), which provides that the plan must be "fair and equitable, with respect to each class of claims or interests that is impaired under, and has not accepted, the plan."

For a class of secured claims, § 1129(b)(2)(A) specifies three alternative standards for "fair and equitable" treatment:

> (i) the holders retain liens on the property securing their claims and receive deferred cash payments totaling at least the allowed amount of their claims, with a present value as of

the effective date at least equal to the value of the holders' interest in the estate's interest in such property;

(ii) the property is sold free and clear of liens, with such liens attaching to the proceeds; or

(iii) the holders receive the "indubitable equivalent" of their secured claims.

WMP's claim is cash-collateralized dollar-for-dollar. The Cash Bond is segregated and designated as security for WMP's claim. Any treatment that yields less than full payment of the Cash Bond amount is not "fair and equitable" under any of the three § 1129(b)(2)(A) alternatives.

The Plan, as currently written, provides WMP with none of these protections. It does not allow WMP to retain a lien with deferred cash payments. It does not provide for a sale of WMP's collateral with lien attachment to proceeds. And it does not offer the indubitable equivalent of WMP's secured claim. The Plan therefore cannot be crammed down as to WMP under § 1129(b).

IV. Any Confirmation Order Must Expressly Preserve WMP's Interest in the Cash Bond.

The Plan's permanent injunction provision (§ 9.9) bars all persons from "collecting, prosecuting, enforcing, levying, attaching, perfecting, or otherwise asserting" any prepetition claim against the Debtors or the Wind-Up Debtors or their assets. The lien-cancellation and vesting provision (§ 10.1) provides that all assets vest in the Wind-Up Debtors "free and clear" of liens, and that the Plan "releases, cancels, and otherwise terminates all liens against assets vesting in the Wind-Up Debtors existing prior to Confirmation."

These provisions could be construed to (a) bar WMP from proceeding against the Cash Bond held by the Union County Clerk, and (b) cancel or extinguish WMP's interest in the Cash Bond. To avoid this result, and to ensure that the Plan or Confirmation Order does not inadvertently strip WMP of its rights to the collateral that secures its allowed claim, WMP requests that any confirmation order provide that:

(a) WMP's interest in the Cash Bond is preserved and not affected by the Plan's injunction, discharge, or lien-cancellation provisions; and

(b) WMP may continue to prosecute the Union County Action for the purpose of liquidating the amount owed to WMP and fixing the Cash Bond amount, consistent with the Cash Bond's terms requiring a "proper judicial proceeding."

This relief is necessary because the Cash Bond's terms contemplate a judicial determination of the amount owed, and because WMP's rights in the Cash Bond are distinct from, and not dependent upon, any "asset" that will vest in the Wind-Up Debtors under the Plan.

RESERVATION OF RIGHTS

WMP reserves all rights to amend, supplement, or modify this Objection at or before the confirmation hearing and to be heard at the confirmation hearing, WMP further reserves the right to raise additional objections to confirmation as may become necessary or appropriate.

PRAYER FOR RELIEF

WHEREFORE, WMP respectfully requests that the Court enter an order:

(a) Denying confirmation of the Joint Amended Plan of Liquidation [DE 256] unless the Plan is modified to:

(i) Recognize the Cash Bond on deposit with the Union County Clerk of Superior Court as WMP's collateral securing its Class 5 secured claim;

(ii) Provide that WMP shall be paid from the Cash Bond up to $161,906.58, or such lesser amount as is finally adjudicated in the Union County Action, upon liquidation of the amount owed;

(iii) Expressly carve out and preserve WMP's interest in the Cash Bond and WMP's right to prosecute the Union County Action from the permanent

injunction (§ 9.9) and the lien-cancellation/vesting provisions (§ 10.1) of the Plan; and

(b) Granting such other and further relief as the Court deems just and proper.

Respectfully submitted this, the 2nd day of July 2026.

WOMBLE BOND DICKINSON (US) LLP

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that on the date hereof, a true and correct copy of the foregoing **Objection of Waste Management Pros of the Carolinas, LLC to Confirmation of the Debtors' Joint Amended Plan of Liquidation** was electronically filed utilizing the CM/ECF system, notification of which was remitted to all registered ECF participants in the above-captioned and jointly-administered bankruptcy proceedings, including:

Matthew L. Tomsic, Esq.
Natalie Kutcher, Esq.
Rayburn Cooper & Durham, P.A.
Counsel for the Debtors

Fox Rothschild LLP
Counsel for the Official Committee of Unsecured Creditors

Shelley K. Abel
Bankruptcy Administrator

Cole Hayes, Esq.
Hayes Law
Liquidating Agent

This, the 2nd day of July 2026.

WOMBLE BOND DICKINSON (US) LLP

By: /s/ Richard A. Prosser
Richard A. Prosser