

**IN RE: SUNCRUZ CASINOS, LLC, JAB AMERICA, INC.,
Debtors.**

**CASE NOS. 01-24661-BKC-PGH
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(administratively consolidated)
(Cite as: 298 B.R. 833)**

On Secured Lender's Objection to Confirmation of Debtor's Plan of Reorganization, the Court held that: 1) Debtor's proposed Chapter 11 plan could not classify the purported unsecured deficiency claim of secured lenders in a separate class from the claims of general unsecured creditors; (2) Debtor's proposed plan improperly purported to limit secured lenders' ability to credit bid their entire claims, including any purported unsecured deficiency, at sale of debtors' assets pursuant to plan; and (3) even assuming that there is a "new value" exception to absolute priority rule, the alleged new value that equity holders proposed to contribute did not qualify as "value," let alone "new value," to the extent that it consisted of the right to continue renting property at fair market rental rate. Confirmation denied.