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Insolvency and Restructuring Update - May 20, 2009

May 20, 2009 | Client Update

In an important ruling issued on Wednesday, May 13, 2009 Bankruptcy Judge Allan L. Gropper in the Southern District of New York approved a $400 million debtor-in-possession facility for General Growth Properties, Inc., which filed the largest real-estate Chapter 11 case in U.S. history. In connection with approving the financing, Judge Gropper permitted affiliated debtors to use excess cash collateral from bankruptcy-remote special purpose entities which, to the surprise of many market participants, were included in the Chapter 11 proceedings.

If you have any questions regarding the matters covered in this publication, please reach out to any of the lawyers listed below or your usual Davis Polk contact.

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