

**UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF VIRGINIA**

Alexandria Division

In re:

GORDON PROPERTIES, LLC, and  
CONDOMINIUM SERVICES, INC.,

Debtors.

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GORDON PROPERTIES, LLC,

Plaintiff,

vs.

FIRST OWNERS' ASSOCIATION OF  
FORTY SIX HUNDRED CONDOMINIUM,  
INC.,

Defendant.

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Case No. 09-18086-RGM  
(Chapter 11)  
(Jointly Administered)

Adv. Proc. No. 11-1020-RGM

**ORDER**

THIS CASE was before the court on June 26, 2012, on two matters: (1) whether First Owners' Association of Forty Six Hundred Condominium, Inc., ("FOA") had purged itself of its contempt found by this court in its order entered on August 24, 2011 (Docket Entry 73); and (2) an award of damages for FOA's violation of the automatic stay. For the reasons stated on the record, it is

ORDERED:

1. The coercive sanction of \$100,000 imposed by the order of this court entered on August 24, 2011, (Docket Entry 73) is remitted.
2. FOA shall within 21 days after the entry of this order withdraw all requests in the

arbitration pending before the American Arbitration Association, Case No. AAA Number 16 0183 00 741 11, and the Circuit Court for the City of Alexandria which may affect the October 5, 2011 election. No ruling in such matters shall have any effect on the 2011 election. In addition, Gordon Residential Holdings, LLC, shall not have more than one representative on the board of directors at any time and the affiliated entity provision of Policy Resolution 2009-03 shall not be applied to the 2011 election or any future meeting of the unit owners' association or election until an order is entered by the Circuit Court for the City of Alexandria with respect to the validity and applicability of Policy Resolution 2009-03.

3. Notwithstanding the order granting relief from the automatic stay to submit the matters relating to the Policy Resolution 2009-03 to the Circuit Court for the City of Alexandria entered on January 3, 2012, in Bankruptcy Case 09-18086 (Docket Entry 313), no matter relating to Policy Resolution 2009-03 shall affect the 2011 election in any manner. Relief granted in the state court or by arbitration shall only be prospective. The term of any director elected at the 2011 election shall not be affected, nor shall any such director be removed from the board or cease acting as a director as a result of any such ruling. It is the intention of this court that the 2011 election be concluded and that this court exercise exclusive jurisdiction as to these parties over the 2011 election, subject only to appeal.

4. FOA's motion to reopen the trial on damages (Docket Entry 219) is granted and Exhibits N and O are admitted into evidence and were considered by the court in reaching its decision.

5. By separate order, judgment will be entered in favor of Gordon Properties, LLC, against First Owners' Association of Forty Six Hundred Condominium, Inc., in the amount of Two Hundred Seventy-Seven Thousand Sixty- Three Dollars and Seventeen Cents (\$277,063.17)

together with interest from the date of entry until paid at the federal judgment rate and costs incurred.

6. The request for punitive damages is denied.

7. The request that Gordon Properties, LLC, not be subject to its pro rata portion of any assessment used to pay the judgment is denied.

8. Except as provided in any order on appeal, this court retains jurisdiction to award further attorney's fees, as may be appropriate, arising from any appeal from the orders in this case.

Alexandria, Virginia  
June 27, 2012

/s/ Robert G. Mayer  
Robert G. Mayer  
United States Bankruptcy Judge

copies to:

Donald F. King  
Jennifer L. Sarvadi

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