

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

<b>IN RE:</b>	)	
	)	<b>Chapter 11</b>
<b>BUILDING MATERIALS HOLDING CORPORATION, <i>et al.</i>,<sup>1</sup></b>	)	<b>Case No. 09-12074 (KJC)</b>
<b>Debtors.</b>	)	<b>Jointly Administered</b>
	)	
	)	<b>Objection Deadline: January 14, 2010 at 4:00 p.m. (ET)</b>

**NOTICE OF STIPULATION RESOLVING THE REQUEST OF GREYSTONE NEVADA, LLC, ET AL. FOR RELIEF FROM THE AUTOMATIC STAY**

PLEASE TAKE NOTICE that, on June 16, 2009, (the "Petition Date"), the above-captioned Debtors filed voluntary petitions for relief under title 11 of the United States Code (the "Bankruptcy Code").

PLEASE TAKE FURTHER NOTICE that, on November 19, 2009, the United States Bankruptcy Court for the District of Delaware (the "Court") entered the *Order, Pursuant to Sections 105 and 362 of the Bankruptcy Code and Bankruptcy Rule 9019, Authorizing the Debtors to Implement Omnibus Procedures for Modifying the Automatic Stay As It Relates to Certain Prepetition Litigation* (the "Procedures Order") [D.I. 956] pursuant to which the Debtors were authorized to adopt and implement the Automatic Stay Relief Procedures (as defined in the Procedures Order).

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<sup>1</sup> The Debtors, along with the last four digits of each Debtor's tax identification number, are as follows: Building Materials Holding Corporation (4269), BMC West Corporation (0454), SelectBuild Construction, Inc. (1340), SelectBuild Northern California, Inc. (7579), Illinois Framing, Inc. (4451), C Construction, Inc. (8206), TWF Construction, Inc. (3334), H.N.R. Framing Systems, Inc. (4329), SelectBuild Southern California, Inc. (9378), SelectBuild Nevada, Inc. (8912), SelectBuild Arizona, LLC (0036), and SelectBuild Illinois, LLC (0792). The mailing address for the Debtors is 720 Park Boulevard, Suite 200, Boise, Idaho 83712.

PLEASE TAKE FURTHER NOTICE that, in accordance with the Procedures Order, the Debtors hereby give notice of entry into the *Stipulation Resolving the Request of Greystone Nevada, LLC, et al. for Relief from the Automatic Stay* (the “Stipulation”), attached hereto as Exhibit A.

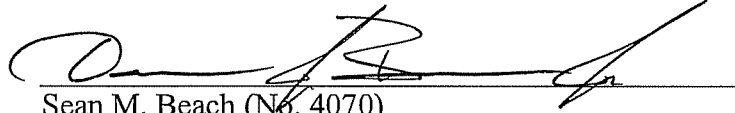
PLEASE TAKE FURTHER NOTICE that, pursuant to the Stipulation, the parties have agreed to modify the automatic stay pursuant to section 362 of the Bankruptcy Code to permit Greystone Nevada, LLC to prosecute certain prepetition state court litigation in Clark County, Nevada, captioned, *Hernandez v. Greystone Nevada LLC* (Case No. A565887) solely for the purpose of recovering from applicable insurance proceeds.

PLEASE TAKE FURTHER NOTICE that, pursuant to the Procedures Order, Notice Parties (as defined in the Procedures Order) are required to file objections to the Stipulation with the Court and serve same on Debtors’ undersigned counsel within fifteen (15) days of service of this notice. In accordance with the Procedures Order, unresolved objections shall be heard before the Honorable Kevin J. Carey, at the United States Bankruptcy Court for the District of Delaware, 824 N. Market Street, 5th Floor, Courtroom No. 5, Wilmington, Delaware 19801.

PLEASE TAKE FURTHER NOTICE THAT IF YOU FAIL TO RESPOND IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY ENTER AN ORDER GRANTING THE RELIEF REQUESTED WITHOUT FURTHER NOTICE OR HEARING.

Dated: Wilmington, Delaware  
December 30, 2009

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ATTORNEYS FOR THE DEBTORS  
AND DEBTORS-IN-POSSESSION

**EXHIBIT A**

Stipulation

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

IN RE:	Chapter 11
BUILDING MATERIALS HOLDING CORPORATION, <i>et al.</i> , <sup>1</sup>	Case No. 09-1 2074 (KJC)
Debtors.	Jointly Administered

**STIPULATION RESOLVING THE REQUEST OF GREYSTONE NEVADA, LLC  
*et al.* FOR RELIEF FROM THE AUTOMATIC STAY**

Greystone Nevada, LLC. ("*Claimant*"), and Building Materials Holding Corporation and its affiliates, the debtors and debtors in possession in the above-referenced cases (collectively, the "*Debtors*," and together with the Claimant, the "*Parties*") hereby respectfully stipulate and agree as follows:

**RECITALS**

WHEREAS, on June 16, 2009 (the "*Petition Date*"), each of the Debtors filed with the United States Bankruptcy Court for the District of Delaware (the "*Court*") voluntary petitions for relief under title 11 of the United States Code (the "*Bankruptcy Code*"). Each Debtor is continuing to operate its business and manage its properties as a debtor in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. The Debtors' cases are being jointly administered pursuant to rule 1015(b) of the Federal Rules of Bankruptcy Procedure;

WHEREAS, on December 23, 2009, the Claimant requested that Debtor stipulate to lift the Automatic Stay to allow Claimant to proceed against certain insurance proceeds which

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may be recoverable by the Claimant as a result of that certain State Court action in Nevada identified as *Hernandez vs. Greystone Nevada LLC*, Clark County District Court, Case Number A565887 (the "*Action*");

WHEREAS, the Claimant asserts it is entitled to recover from the following insurance policies, with respect to the claims alleged in the Action: Federated (the "*Insurer*"), Policy #: 625832 and Policy Term: October 1, 1998-October 1, 2001 (the "*Policies*");

WHEREAS, the Debtors are willing to stipulate to relief from the automatic stay in favor of the Claimant for the sole purpose of allowing the Claimant to proceed with the Action to recover applicable insurance proceeds from the Policies, with certain conditions as provided below to protect the Debtor from administrative expense, given the uncertainty surrounding the provisions of the Policies;

WHEREAS, Debtor's agreement to enter into this Stipulation is based upon the agreement of the Insurer to waive the deductible(s) under the Policies as to the Action.

NOW THEREFORE, subject to the approval of the Court, in order to avoid the costs, risks and inconveniences of litigation, it is hereby stipulated and agreed as follows:

1. The Parties hereby acknowledge and agree to relief from the automatic stay being granted in favor of the Claimant for the sole purpose of allowing the Claimant to proceed with the Action to recover applicable insurance proceeds from the Policies. Claimant agrees not to seek recovery from any of Debtors' other insurance policies including, but not limited to Debtor's policies with Steadfast and AIG covering the periods from December 15, 2000 through November 11, 2005.

2. The Parties hereby acknowledge and agree that this Stipulation shall fully and finally resolve, and the Claimant waives and releases, any direct, pre-petition, post-petition, administrative, or other claim against the Debtors of any kind or nature arising out of or

related to the Action, including Claimant's claim against Debtors for the eight homes built in the Cedar Springs community; provided however, that the Claimant shall retain a claim to the extent necessary to obtain insurance proceeds from the Policies.

3. The Parties hereby acknowledge and agree that this Stipulation is entered into solely for the convenience of the Parties and neither this Stipulation nor the fact of its execution will constitute any admission or acknowledgment of liability or wrongdoing on the part of any of the Parties. The Parties will not offer this Stipulation or the fact of its execution into evidence in any proceeding other than a proceeding to approve or enforce this Stipulation or any of its terms.

4. Each party shall bear its own attorneys' fees and costs with respect to the execution and delivery of this Stipulation. Each of the undersigned are duly authorized and empowered to execute this Stipulation.

5. This Stipulation is governed by and shall be construed in accordance with the law of the State of Delaware, without regard to its conflict of laws provisions. The Court shall retain exclusive jurisdiction to resolve any disputes or controversies arising from or related to this Stipulation.

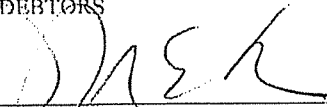
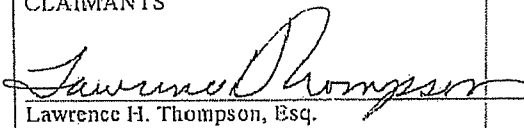
6. All of the recitals set forth above are incorporated by reference as if fully set forth herein. This Stipulation constitutes the complete express agreement of the Parties hereto concerning the subject matter hereof, and no modification or amendment to this Stipulation shall be valid unless it is in writing, signed by the Party or Parties to be charged and approved by the Court.

7. It is acknowledged that each Party has participated in and jointly consented to the drafting of this Stipulation and that any claimed ambiguity shall not be construed for or against either Party on account of such drafting.

8. This Stipulation may be executed in counterparts, any of which may be transmitted by facsimile or electronic mail, and each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

9. This Stipulation is subject to approval of the Court, and the Parties agree to present the Stipulation promptly to the Court for approval. If the Court does not approve this Stipulation, the Parties will revert to their pre-Stipulation positions, without any prejudice whatsoever from having entered into this Stipulation.

10. This Stipulation shall become effective immediately upon entry of an order approving the Stipulation.

For DEBTORS	For CLAIMANTS
	
Maureen E. Thomas, Esq. Building Materials Holding Corporation 9832 Coledale Court White Lake, MI 48386	Lawrence H. Thompson, Esq. Lennar Corporation 25 Aliso Viejo, CA 92656
Dated: <u>12-29-09</u>	Dated: <u>Dec. 29, 2009</u>