IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE

IN RE:)
) Chapter 11
BUILDING MATERIALS HOLDING CORPORATION, <i>et al.</i> , ¹) Case No. 09-12074 (KJC)
Debtors.) Jointly Administered

ORDER AUTHORIZING REJECTION OF THAT CERTAIN UNEXPIRED LEASE WITH LONE BUTTE INDUSTRIAL DEVELOPMENT CORPORATION AND THE ASSOCIATED SUBLEASE WITH SELECTBUILD NEVADA, INC. *NUNC PRO TUNC* <u>TO THE REJECTION EFFECTIVE DATE</u>

)

Upon consideration of the motion (the "Motion") of Building Materials Holding

Ref. Docket No. 812,945

Corporation and its affiliates, as debtors and debtors in possession (collectively, the "Debtors")

for entry of an order authorizing the Debtors to reject that certain unexpired lease number B-GR-

61-G (the "Chandler Lease") by and between Lone Butte Industrial Development Corporation

(the "Landlord") and BMC West Corporation for the property described therein located at 6800

West Sundust, Lone Butte Industrial Park, Chandler, Arizona 85224 (the "Premises") as well as

the associated sublease by and between BMC West Corporation and SelectBuild Nevada, Inc.

(the "Sublease"), effective as of October 31, 2009 (the "Rejection Effective Date"), all as set

forth in the Motion; and the Court having found that venue of this proceeding and the Motion in

this district is proper pursuant to 28 U.S.C. sections 1408 and 1409; and the Court having found

¹ 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.

that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and notice of the Motion and the opportunity for a hearing on the Motion was appropriate under the particular circumstances; and the Court having reviewed the Motion and having considered the statements in support of the relief requested therein at a hearing before the Court (the "*Hearing*"); and the Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before the Court; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED:

1. The Motion is granted as set forth below.

2. Pursuant to section 365(a) of the Bankruptcy Code, the Debtors are authorized to reject the Chandler Lease and the Sublease, and the Chandler Lease and the Sublease are deemed rejected, effective as of October 31, 2009.

3. In accordance with that certain Order Pursuant to Sections 501, 502, and 1111(a) of the Bankruptcy Code, Bankruptcy Rules 2002 and 3003(c)(3), and Local Rule 2002-1(e) Establishing Bar Dates for Filing Proofs of Claim and Approving the Form and Manner of Notice Thereof [Docket No. 248], any claim for damages allegedly arising from the rejection of the Chandler Lease (a "Rejection Damages Claim") must be filed on or before the date which is thirty (30) days from the entry of this Order (the "Rejection Bar Date"). Any holder of a Rejection Damages Claim which fails to timely file a proof of such claim on or before the Rejection Bar Date shall not be treated as a creditor for purposes of receiving any distributions under the Plan.

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4. SelectBuild Nevada, Inc. shall not be entitled to any claim for damages arising from rejection of the Sublease.

5. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion.

6. The Debtors do not waive any claims they may have against the Landlord, whether or not such claims arise under, are related to the rejection of, or are independent of the Chandler Lease.

7. Nothing herein shall prejudice the rights of the Debtors to argue that any claim for damages arising from the rejection of the Chandler Lease is limited to the remedies available under any applicable termination provision of such Chandler Lease, or that any such claim is an obligation of a third party, and not that of the Debtors or their estates.

8. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such motion and the requirements of Bankruptcy Rule 6006(c) and the Local Bankruptcy Rules are satisfied by such notice.

9. To the extent Bankruptcy Rule 6004(h) is applicable, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

10. This Court shall retain jurisdiction with respect to all matters arising from or relating to the interpretation or implementation of this Order.

Date: Wilmington, Delaware November

Kevin J. Carey Chief United States Bankruptcy Judge