

*Jef* NOV - 8 2018  
At 4:08 p.m.  
Velva L. Price, District Clerk

CAUSE NO: D-1-GN-16-000360

THE STATE OF TEXAS  
*Plaintiff,*

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IN THE DISTRICT COURT OF

v.

TRAVIS COUNTY, TEXAS

MILLENNIUM CLOSING SERVICES, LLC  
D/B/A MILLENNIUM TITLE  
*Defendant.*

53<sup>rd</sup> JUDICIAL DISTRICT

**ORDER GRANTING SPECIAL DEPUTY RECEIVER'S APPLICATION FOR AUTHORITY  
TO INTERPLEAD FUNDS, SEVER CLAIMS, AND BE DISCHARGED  
[ZENNITH REALTY AND ASSOCIATES]**

On the undersigned date, the Court considered the Application for Authority to Interplead Funds, Sever Claims, and Be Discharged [Zennith Realty and Associates] (the "Application") filed by CANTILO & BENNETT, L.L.P., solely in its capacity as the Special Deputy Receiver of Millennium Closing Services, L.L.C. d/b/a Millennium Title (the "SDR" and "Millennium Title," respectively).

When called for hearing the SDR appeared by and through counsel. Although duly noticed, Respondent Zennith Realty and Associates ("Zennith Realty") failed to appear.

Having considered the Application, the Court finds that notice of the Application was proper and provided in accordance with TEX. INS. CODE §443.007 (d) and the Texas Rules of Civil Procedure. The Court has jurisdiction over the Application, the SDR, Respondent and the remaining funds in the amount of \$13,500.00 held Escrow Account associated with Guaranty File No.1500830-LD (hereinafter referred to as the "1500830-LD Escrow Account"). The Court finds the following:

1. The SDR is in possession of the funds held in the 1500830-LD Escrow Account;
2. The SDR makes no claims to the funds held in the 1500830-LD Escrow Account;

3. The estate's records reflect that the funds in the amount of \$13,500.00 in the "1500830-LD Escrow Account" are owed to New World Real Estate LLC ("NWRE");
4. NWRE has not made a claim for the funds notwithstanding repeated notice from the SDR;
5. Zennith Realty and Associates ("Zennith Realty") filed a proof of claim, labeled as No. 28, for the funds;
6. Zennith Realty is the only claimant to the funds held in the 1500830-LD Escrow Account, but has failed to properly document its entitlement to the funds.
7. The SDR filed this Application naming Zennith Realty and NWRE as Respondents but has been unable to find or serve NWRE;
8. The Court further finds that the *Order Granting the Special Deputy Receiver's Application to Provide Notice of Liquidation, Set Claims Filing Deadline, Resolve Escrow Accounts and Establish a Claims Processing Procedure* (the "POC Order") expressly authorizes the SDR to interplead any funds subject to conflicting claims into the registry of the Receivership Court. The Application should be GRANTED in all respects.

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED as follows:

1. The Application is GRANTED;
2. The SDR is awarded \$2,900.00 from the funds in the 1500830-LD Escrow Account for all costs incurred by the SDR in connection with the Interpleader, including reasonable and necessary attorney's fees and expenses, as an innocent stakeholder and the costs of court for the filing of the severed interpleader lawsuit;

3. All claimants for the remaining funds in the 1500830-LD Escrow Account are hereby SEVERED from Cause No. D-1-GN-16-000360 and the Clerk of the Court shall assign a separate cause number to the severed case which shall be styled *Zennith Realty and Associates v. New World Real Estate LLC*, Cause No D-1-GN-18-006860  
419TH DISTRICT COURT  
TRAVIS COUNTY, TEXAS

4. The SDR is ordered to interplead the remaining funds in the 1500830-LD Escrow Account in the amount of \$10,600.00 into Registry of the Court under the severed case styled *Zennith Realty and Associates v. New World Real Estate LLC* Cause No. D-1-GN-18-006860;

5. The Receiver, the SDR and the receivership estate are discharged and released from any and all liability regarding the 1500830-LD Escrow Account, all Proofs of Claims (“POCs”) claiming funds from 1500830-LD Escrow Account, including but not limited to Zennith Realty’s POC No. 28, and Zennith Realty and NWRE;

6. The Court confirms the SDR’s rejection of any obligations under any contract relating to 1500830-LD and Respondents pursuant to TEX. INS. CODE § 443.013(a);

7. The SDR is authorized to enter such other and further documents as may be necessary to effectuate the transaction;

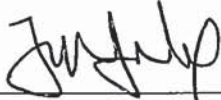
8. All POCs, if any, relating to the 1500830 Escrow Account are denied with prejudice to any right to object to the determination and without further order of the Receivership Court;

9. In the event of an unsuccessful appeal by any Respondent against the relief granted to the SDR in this Order, the SDR is awarded attorney’s fees solely against the appealing party as follows: \$2,000 if a notice of appeal, motion for new trial or rehearing is filed; \$5,000 if an appeal is perfected; \$2,500 if an application for writ is filed with the Texas Supreme Court; and \$8,000 if writ is granted.

10. This Order constitutes a final judgment fully resolving all issues relating to the

Application, provided that this Court shall retain jurisdiction to issue further orders pursuant to TEX. INS. CODE Chapter 443. This Order shall not affect, in any way, the Receiver's or the SDR's immunities from suit and shall not give rise to any right to sue or create any causes of action against the Receiver or the SDR. The automatic stay and the provisions of the Receivership Order remain in effect unless expressly modified herein. This Order does not amend, modify or in any manner change or effect the terms and provisions of the POC Order as it relates to any POC filed by any Respondent except as expressly set out herein.

Signed on this 8<sup>th</sup> day of November, 2018.

  
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JUDGE PRESIDING  
TIM SULAR