

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:) Chapter 11
)
HOMELIFE PCE,) Case No. 01-2412 (JWV)
) (Jointly Administered)
Post Confirmation Estate.)
) **Hearing Date: May 6, 2003 at 10:30 a.m.**
) **Responses Due: April 22, 2003 at 4:00 p.m.**

DECLARATION OF PATRICK REGAN
IN SUPPORT OF HOMELIFE PCE'S TWELFTH OBJECTION
(SUBSTANTIVE) TO CLAIMS

Patrick Regan hereby declares:

1. I am the Plan Administrator of the Homelife PCE (the "Estate")¹. I am authorized to make this Declaration in support of the Estate's Twelfth Omnibus Objection to Claims (Substantive) (the "Twelfth Omnibus Objection").

2. I am responsible for overseeing the claims review and objection process in these cases. In that capacity, I have reviewed the Twelfth Omnibus Objection, and am directly or through the Estate's personnel and attorneys, familiar with the information contained therein, and in the exhibits annexed thereto.

3. Upon information and belief, the Estate's books and records accurately reflect, among other things, the liabilities (including the amounts thereof) owed to its creditors.

4. Under my supervision, considerable resources and time have been expended to ensure a high level of diligence in reviewing and reconciling the proofs of claim filed in these cases. These claims were carefully reviewed and analyzed by appropriate personnel, and in

¹ Capitalized terms not defined herein are as defined in the Twelfth Omnibus Objection.

some cases, the Estate's professional advisors, resulting in the identification of objectionable Claims² which are the subject of the Twelfth Omnibus Objection.

THE RECLASSIFY CLAIMS

5. To the best of my knowledge and belief, after thoroughly reviewing the Estate's books and records and the applicable proofs of claim listed on Exhibit A to the Twelfth Omnibus Objection, I have determined that the claims listed on Exhibit A improperly assert secured or priority status pursuant to §§ 502(b)(1), 506(a) and 507 of the Bankruptcy Code. Therefore, the Estate seeks to reclassify the claims listed on Exhibit A.

THE RECLASSIFY, REDUCE AND ALLOW CLAIMS

6. To the best of my knowledge and belief, after thoroughly reviewing the Estate's books and records and the applicable proofs of claim listed on Exhibit B to the Twelfth Omnibus Objection, I have determined that the claims listed on Exhibit B where the "Basis for Objection" is designated as "Reclassify, Reduce and Allow" improperly assert priority or secured status, and are filed for amounts in excess of the amounts reflected on the Estate's books and records. The reason for the proposed modification is listed on Exhibit B, along with the proposed amount and claim class, and the Estate seeks to reclassify, reduce and allow such claims in accord with Exhibit B.

THE INSUFFICIENT DOCUMENTATION CLAIM

7. To the best of my knowledge and belief, after thoroughly reviewing the Estate's books and records and the applicable proof of claim listed on Exhibit C to the Twelfth Omnibus Objection, I have determined that the claim listed on Exhibit C is not properly supported by the

² Capitalized terms not defined herein are as defined in the Estate's Joint Liquidating Plan (the "Plan") and accompanying Disclosure Statement, filed on December 12, 2002.

necessary documentation pursuant to Section 502(b)(1) of the Bankruptcy Code. Therefore, the Estate seeks disallowance and expungement of the claim listed on Exhibit C.

THE BLANK CLAIMS

8. To the best of my knowledge and belief, after thoroughly reviewing the Estate's books and records and the applicable proofs of claim listed on Exhibit D to the Twelfth Omnibus Objection and designated as "Blank Claims", I have determined that these claims listed on Exhibit D are claims filed by creditors who received a specific proof of claim form from Bankruptcy Management Corporation, pre-printed with the amount (the "Scheduled Amount") that HomeLife had scheduled for each creditor. This Proof of Claim form required that each creditor complete the remainder of the claim form, including that portion wherein the creditor was to indicate the amount that he or she claimed against the Estate. These creditors merely signed and returned the Proof of Claim without providing any additional information (the "Blank Claim"). The Estate believes that in this case, the creditors who filed the Blank Claims, did so to indicate their agreement with the Scheduled Amount.

THE REDUCE AND ALLOW CLAIMS

9. To the best of my knowledge and belief, after thoroughly reviewing the Estate's books and records and the applicable proofs of claim listed on Exhibit E to the Twelfth Omnibus Objection, I have determined that the claims listed on Exhibit E where the "Basis for Objection" is designated as "Reduce and Allow" assert an amount that is overstated according to the Estate's books and records. The reason for the proposed modification is listed on Exhibit E along with the proposed allowable amount.

(Remainder of this page intentionally left blank)

Dated: _____, 2003


Patrick Regan