

STATE OF NORTH CAROLINA
MECKLENBURG COUNTY

IN THE GENERAL COURT OF JUSTICE
SUPERIOR COURT DIVISION
07 CVS 12568

NORTHFIELD INVESTMENTS, INC.,

Plaintiff,

v.

REGIONS BANK and KELLAM & PETTIT,
P.A.,

Defendants,

and

REGIONS BANK,

Third-Party Plaintiff,

v.

LAWRENCE J. SHAHEEN and J.
MICHAEL SHAHEEN, REGIONAL
CONSTRUCTION AND DESIGN, INC.,
NORTH REGIONAL I, LLC, NORTH
REGIONAL II, LLC, and PROPERTY
ASSET DEVELOPMENT, INC.,

Third-Party Defendants.

ORDER

THIS MATTER is before the Court on Defendant and Third-Party Plaintiff Regions Bank's Motion to Compel Compliance with a 29 January 2008 Consent Order (the "Motion to Compel"). On 10 June 2010, the Court entered an order granting the Motion to Compel in part, and concluding that it would impose an interim monetary sanction pursuant to Rule 37(b) of the North Carolina Rules of Civil Procedure. The Court directed the parties to file papers addressing the appropriate amount of the sanction.

Now, after considering the affidavit of Tricia Derr in support of a monetary sanction, and the response filed by Northfield Investments, Inc., J. Michael Shaheen, North Regional I, LLC, North Regional II, LLC, and Property Asset Development, Inc. (collectively the “Northfield Entities”), the Court holds as follows:

1. The Northfield Entities do not question the reasonableness of the hourly rates charged by counsel for Regions Bank, and the Court agrees that the rates are reasonable;

2. The Court **OVERRULES** the objection of the Northfield Entities to the 13 hours of paralegal time expended on behalf of Regions Bank (the bulk of which was spent reviewing the financial information required to be produced pursuant to the Court’s 29 January 2008 Consent Order) because this expenditure was reasonable and was caused by the Northfield Entities’ failure to obey the Consent Order;

3. The Court also **OVERRULES** the objection of the Northfield Entities to the 20.6 hours spent by counsel for Regions Bank in preparing the Motion to Compel and related papers because this expenditure was reasonable and was caused by the Northfield Entities’ failure to obey the Consent Order; and

4. The Court **SUSTAINS** the objection of the Northfield Entities to the 6.1 hours spent by lead counsel for Regions Bank in reviewing materials and preparing for the hearing on the Motion to Compel because lead counsel did not actually handle the hearing and thus the Northfield Entities should not have to bear this expense.

Accordingly, after excising the hours that the Court has determined are not properly the responsibility of the Northfield Entities, the Court concludes that Regions Bank should be reimbursed for 37.8 hours of time expended by its counsel because of the Northfield Entities’ failure to obey the 29 January 2008 Consent Order, broken down as follows: 13 hours for

LeBlanc at \$150.00/hour, 20.6 hours for Derr at \$350.00/hour, and 4.2 hours for Lincoln at \$350.00/hour, which equates to a total sanction award of \$10,630.00.

The Northfield Entities shall be jointly liable for the sanctions award of \$10,630.00 and shall pay this amount within **twenty (20)** days of the entry of this Order.

SO ORDERED, this the 1st day of July, 2010.

/s/ Albert Diaz
Albert Diaz
Special Superior Court Judge