

**UNITED STATES BANKRUPTCY COURT  
MIDDLE DISTRICT OF FLORIDA  
TAMPA DIVISION**

In re:

Case No. 8:25-bk-02915-CPM  
Chapter 11

Family International Home Builders, LLC,

Debtor.

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**UNITED STATES TRUSTEE'S EXPEDITED  
MOTION TO DISMISS CHAPTER 11 CASE OR, IN THE  
ALTERNATIVE, MOTION TO CONVERT CASE TO CHAPTER 7**

Mary Ida Townson, the United States Trustee for Region 21, through the undersigned counsel, moves this Court for relief under 11 U.S.C. § 1112(b)(1)-(4), whichever the Court finds is in the best interest of creditors and the estate. Relief under § 1112(b) is appropriate because the Debtor (1) failed to provide proof of insurance coverage to protect the estate; (2) failed to timely satisfy a reporting requirement established by Rule 2015.3; and (3) failed to provide information reasonably requested by the United States Trustee. In support of this motion, the United States Trustee asserts as follows:

1. This Court has jurisdiction over this action pursuant to 28 U.S.C. §§ 157 and 1334 and the standing order of reference. Venue of this action in this district and division is proper pursuant to 28 U.S.C. §§ 1406, 1408, and 1409. This action constitutes a contested matter in accordance with 28 U.S.C. §§ 157(a)(2)(A and O) and Fed. R. Bankr. P. 1017(f)(1) and 9014. The statutory predicate for the relief sought is in accordance with 11 U.S.C. §§ 1112(b)(1-4). The United States Trustee has standing to appear and be heard in this action pursuant to 28 U.S.C. § 586 and 11 U.S.C. § 307.

2. The Debtor filed a voluntary petition under chapter 11 of the Bankruptcy Code on May 5, 2025. The Debtor owns a ten (10) unit apartment complex located at 7210 Gulf Blvd., St. Pete Beach, FL (the “Property”) and operates as management/landlord.

3. The United States Trustee’s IDI was scheduled for May 19, 2025. The Debtor attended this meeting with his attorney Joel Aresty but failed to provide all of the documents that were due to the United States Trustee, including proof of liability and property coverage on the Property.

4. Additionally, the § 341 meeting of creditors was held on June 4, 2025. The Debtor appeared and testified that there are currently eight (8) squatters living at the Property, the building suffered damage from the 2024 hurricanes, the damage was not covered by insurance, the insurance had lapsed, and repairs have not been completed. The Debtor principal stated that the property was now insured with liability and property coverage and the parking lot was covered under business insurance and he had paid a down payment for the premium. Pursuant to her authority under 28 U.S.C. § 586(a), the United States Trustee requested that the Debtor furnish proof of current insurance on the Property.

5. On June 5, 2025, the Debtor, through counsel, provided multiple versions of a Builders Risk insurance quote. One quote reflected a proposed coverage period of June 5, 2025, through June 5, 2026, while another indicated a shorter term of July 1, 2025, through October 1, 2025. There were additional outstanding underwriting conditions that were needed before binding and the policy becomes valid only if the structure is unoccupied and under renovation. In either case, the policy remains a quote only and has not been bound. Debtors’ counsel had requested additional time to provide this information and as of the date of filing this motion has not done so.

6. The Debtor's failure to maintain appropriate insurance poses a risk to the estate and to the public if there is a fire, theft, or other casualty.<sup>1</sup> Additionally, hurricane season began June 1, 2025.

7. Furthermore, there appears to be a continuing loss to the estate and the absence of a reasonable likelihood of rehabilitation. According to Debtor's Statement of Financial Affairs, Part 1, number one, the Debtor did not receive any rental payments or gross income from a tenant during its last fiscal year. The Debtor has not made payments to creditors within 90 days before filing although the Debtor's real property is encumbered by two secured liens. One of the secured lienholders received a final judgment of foreclosure in the Circuit Court of the Sixth Judicial Circuit, in and for Pinellas County, case no. 2023-CA-008560, in the amount of \$2,548,298.43. A foreclosure sale had been scheduled for May 6, 2025, but was cancelled with the filing of this instant case. Based upon the Debtor's Schedules and Statement of Financial Affairs and the lack of information provided by the Debtor to the United States Trustee, the Debtor has no ability to repay its debts

8. Conversion or dismissal pursuant to 11 U.S.C. § 1112(b)(4) is currently mandatory on three of the specific grounds given as examples. In this case, the Debtor failed to: (1) provide proof of renewed property insurance coverage to protect the estate; (2) timely satisfy a reporting requirement established by applicable rule; and (3) timely provide information reasonably requested by the United States Trustee.

9. The United States Trustee does not waive and preserves her right to raise any relevant issue or objection at a hearing on this contested matter.

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<sup>1</sup> 11 U.S.C. § 1112(b)(4)(C) & (H); *See In re Costa Bonita Beach Resort, Inc.*, 513 B.R. 184, 198-99 (Bankr. D. P.R. 2014).

WHEREFORE, the United States Trustee respectfully prays that this Court enter an order (1) dismissing the case or, in the alternative, converting the case to chapter 7, whichever is in the best interest of creditors and the estate; and (2) granting other relief as this Court may deem appropriate.

Dated: June 20, 2025.

Respectfully submitted,

**MARY IDA TOWNSON**  
**UNITED STATES TRUSTEE**  
Region 21

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**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing Expedited Motion to Dismiss Chapter 11 Case or, in the Alternative, Motion to Convert Case to Chapter 7 has been served electronically or via United States mail service, postage prepaid, on June 20, 2025, to the following:

Family International Home Builders, LLC  
7300 NW 49th Court  
Lauderhill, FL 33319

CM/ECF Service: Joel M. Aresty, Debtor's counsel, at [aresty@icloud.com](mailto:aresty@icloud.com).

/s/ Nicole Peair  
Trial Attorney